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Do's and Don'ts of Chairmanship

Sir JOHN HUNT, KCB

Sir John Hunt, who is Secretary of the Cabinet, recently provided some advice on the art of Committee chairmanship. The advice, which takes the form of a list of 20 'do's and don'ts', and which is reproduced below, was prepared specifically to help Cabinet Office chairmen of Official Committees. While most of the points made apply generally and will, therefore, be of wider interest, there are some references (for example, in relation to impartiality) which would not apply to all other Committees. —*Editor.*

1. The Chairman is the only person who cannot read his brief or the papers as he goes along. Homework is essential, and should include any necessary discussions in advance on points of difficulty. It is also often worth discussing with the Secretary the order of the agenda and the amount of time likely to be needed to despatch the business of the meeting (too many meetings use all the time provided).

2. Sort your papers out carefully in front of you before you start the meeting (agenda, papers for each item, etc.). It is important to keep your eyes on the speaker and the meeting virtually the whole time. A Chairman hunting among his papers or whispering to the Secretary is very off-putting to the main speakers.

3. Be clear what you want to get out of each item (e.g. a second reading discussion, a firm decision or the initiation of action by departments): and consider whether or not to disclose this at the start. There may be timing constraints (e.g. the need for Ministers to reach a decision by a certain date) which the Committee should take into account.

4. If the subject-matter is complicated, it is often worth saying how you propose to handle it (e.g. splitting up the discussion into its component parts: or elucidating factual points first: or letting everyone give a general view first: or simply slogging through a paper paragraph by paragraph).

5. It is usually a bad ploy to say 'Who wants to go first?'. Be clear about who you think should lead off and indicate this. Occasionally it may be desirable to have a prior word with the person introducing a paper to tell him how you want to handle a matter: or you may want to prompt someone to come in second. But don't make a practice of trying to 'square' a lot of people before the Committee meets. The news will soon get round and your impartiality as Chairman compromised.

6. Always keep an eye on the clock and remind the Committee when they have fallen behind. Also keep a close eye on the 'professional' Committee man who argues over every comma and wastes time. Equally don't fight for each comma yourself.

7. Always remain in control of the meeting. This does not mean hogging the discussion yourself or being dictatorial. A joke is often effective: a cutting remark almost never. But do not be afraid to deal briskly and firmly with red herrings and trivia. Never just let things ramble (unless you have decided that the Committee cannot and should not reach a decision that day): and don't let people get off the point or discuss two subjects at the same time. Don't let people reopen closed issues or retrace ground already covered unless you are satisfied that some new point has emerged which really makes a difference. If the meeting is getting sluggish, a positive steer from the chair can put new life into the discussion.

8. Don't be afraid to ask the man who has just spoken to clear up a point which his exposition has left ambiguous. Or if someone has made a long and disjointed intervention, say quite shortly what you understand to be his main point.

9. Treat people fairly. Don't let one person monopolize the discussion: and draw in the man who has something to contribute but is bad at getting in on a discussion. Make allowance for the individual who is new to the game, or very junior and thus green or overawed.

10. Be clear whether the desirable object is to reach an agreed view or to identify the range of options. Don't paper over cracks that cannot be mended: or spend too long in trying to find compromise between irreconcilable differences. The job of Official Committees is to reach agreement if possible but otherwise to bring out the differences to Ministers. Obfuscation of genuine differences helps no one. On the other hand look for signs that someone who has been pressing a minority view is ready to change his mind: and help him off the hook.

11. It is usually a bad thing to show your own hand too early. You will be thought to be biased: and in any case you may think differently when you have heard the discussion. There are, of course, exceptions to this general rule—for example, when a Committee is clearing a draft report prepared by the Secretariat in the light of discussion and the Chairman wants to push things along.

12. On the other hand the Chairman is much more than a ring-holder. He should try to help the Committee to reach agreement. Timing is, however, crucial. If you have a compromise up your sleeve it is often best not to produce it too early. You want to spot the psychological moment when everyone will grab it eagerly.

13. If you have also to represent a particular point of view or speak

to a paper, try to make clear when you are doing this and when you are speaking as Chairman.

14. If things get sticky remember there are different ways of taking the heat out of an argument, for example:

(*a*) Introducing a new factor into the discussion.
(*b*) Asking for the views of someone who is not already involved in the argument.
(*c*) A light-hearted remark.

Any of these is better than appealing for moderation.

15. Don't count heads over slavishly: on any subject some departments will have a greater interest than others and their views will carry greater weight. On the other hand make sure that anyone with a legitimate interest who has not declared himself does so.

16. Remember that collective responsibility does not apply to Cabinet Official Committees. Officials represent their Ministers, may be mandated and must be free to reserve their position. On the other hand no official is justified in refusing to produce factual information for which there is a legitimate need because this might prejudice his Minister's case. Nor is he free to dictate the timing or method of the presentation of the issues to Ministers, these decisions resting, in the last resort, with the Chairman. Occasionally, if there is insufficient agreement about the presentation of the arguments or options it may be necessary for the Chairman to circulate a paper under his own name to Ministers setting out the options as fairly as he can.

17. Never commission further work simply to avoid having to admit that the Committee needs more time before it can come to a conclusion. It is much better to say 'That is as far as we can take it today'.

18. If a Committee is drafting a report remember it will be read by Ministers who were not present at the discussions, may be unfamiliar with the subject-matter and are busy people. Keep the report clear, concise and self-contained, and do not overload it with a lot of back references. Often officials will have to spend a lot of time to resolve some factual point, but once resolved the point can usually be stated simply without all the supporting argument. But see that points of genuine difficulty are brought into the open—not swept under the carpet by tacit consent. Bring out the options and state clearly the decisions needed. If the report is necessarily a long one it will often help to put the conclusions (and possibly a summary) at the beginning.

19. Sum up clearly and fairly. In many ways this is your most important job. People need to know what they are being asked to assent to and what they are expected to do next. Try to get it right first time: there is nothing worse than when the summing up does not close the meeting but produces a further round of argument. You have to judge

the sense of the meeting and put it fairly. This may mean taking the Committee a little further than they realized they had reached: but only if you judge the discussion warrants this. Ensure that any decisions on further action are precisely formulated and that departments responsible know exactly what they are required to do and within what timescale.

20. Finish by thanking the Committee if they have had to work hard and long.

Reducing Expenditure on Postal and Telecommunications Services

A. PHILLIPS, Civil Service Department

Introduction

Over the past two years the Civil Service has been subject to considerable criticism in the press for the growing cost of the bureaucracy. Most commentators took the view, even if only by implication, that little was being done in an inflationary period to stem the flood. In this article we outline details of a centrally initiated study into postal and telephone services which has led to real savings.

As a result of considerable internal publicity, most civil servants are now aware of the nature of this study and the need to continue to seek economies. The main purpose of this article is, therefore, to invite those outside the Civil Service to contribute from their experience ideas not covered here which could lead to further savings.*

Reasons for study

Departments are, of course, responsible for keeping their expenditure continually under review, but in the spring of 1975 there was a growing awareness in the Civil Service Department that the time was approaching when a review of the cost of the Civil Service as a whole would be desirable. Against this background a co-ordinated programme was put in hand with departments, aimed at improving the efficiency and economy with which central government was administered. This work was carried out under the aegis of an interdepartmental steering committee, the Cost of Central Government (CCG) Steering Committee.

CCG was chaired by the Second Permanent Secretary of CSD, and comprised the Deputy Secretary and Principal Establishment Officers of the major government departments. It was supported by a small project team drawn from different disciplines, each member of which was responsible for aspects within his own specialism.

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* **Editor's footnote.** The Editor would be pleased to receive suggestions which will be passed on to Mr. Phillips, and to receive contributions to the journal based on experience in other organizations.

My area covered management services studies reaching across departmental boundaries on what might be called 'Good Housekeeping' practices. Our aim was the initiation and sponsorship of any measures which might bring about greater economy and efficiency in the use of administrative resources with particular emphasis on interdepartmental co-operation and the fostering of ideas between departments.

In all there were six such studies. These were concerned with the move of more typing pool work from Central London to peripheral or provincial centres; rationalization of reserve library stocks; monitoring the consumption of paper; a review of all aspects of civilian passenger transport; an examination of stores procedures in those departments for which this was not a substantial activity; and, finally, the study with which I am concerned here—postal and telecommunications services.

Conduct of the study

To carry out the study a small management services team was formed, which I led. Its members were drawn from CSD Management Services (General) Division and the Inland Revenue MS Division. The agreed terms of reference for the review, which started in July 1975, were:

> To examine, as part of the programme of work aimed at further improving the efficiency and economy with which administrative resources are used by central government, the use made of existing postal and telecommunications services; to have regard to alternative existing methods of communication whether shared or dedicated; to make recommendations by December 1975.

Departments were invited to nominate a contact officer through whom the team could route requests, seek suitable areas for study and disseminate its findings. Three of the departments represented on the CCG Steering Committee and Her Majesty's Stationery Office (HMSO) provided representatives for the small interdepartmental Steering Committee, chaired by the Head of CSD's Management Services (General) Division, which supervised the study.

The team began by obtaining from HMSO details of orders by departments for 'Official Paid' envelopes and labels. The Manpower Division of CSD and the Post Office gave details of the cost of the services being provided to departments and from this information the major users were identified. These major users were invited to provide details of the categories of work which, in their view, merited first class post and the team then visited those departments. Information on the range and volume of their postal and telecommunications services was obtained. The remaining departments were asked to supply similar information by completing a short questionnaire. Visits were also paid to commercial organizations and one member of the team attended a short seminar held by a private sector organization on 'Management Control of Rising Post and Telecommunications Costs'.

As a result of this activity the team prepared a report in December

1975 setting out the various methods by which departments communicate with one another and with their public and showing where savings could be made. This report was distributed to departmental liaison officers in January 1976 and, more formally, to Principal Establishment Officers in April 1976. This formal circulation was accompanied by the request that each department should review its practice against the recommendations made in the report and notify CSD in two stages of savings achieved as a result.

Postal services

Government mail accounts for 11·6 per cent in volume and 12·7 per cent in revenue of all letter mail handled by the Post Office. Twelve departments account for 90 per cent of government postal expenditure. This mail is despatched from approximately 8,000 posting points (4,000 of which post less than 50 items a day) by three main methods, i.e. Official Paid (or franked) Mail, Printed Postal Impressions, and Certified Mail.

Types of service

The 'Official Paid' (OP) system involves the use of envelopes and labels overprinted with the distinctive Official Paid cachet. These are envelopes and labels which the public usually associate with official correspondence which is hardly surprising given that it accounts for approximately 80 per cent of government mail.

These items are forwarded to the Post Office either in bulk, or by placing them in a post box, and are treated by the Post Office as normal stamped items. Payment is based upon a composite rate which applies to most government departments. This rate is derived from a sample, taken in 1971, which established the average weight of the various size of OP envelopes and the proportion of first to second class items. The charges have been reviewed periodically since then in line with the changes in Post Office commercial rates. Copies of departmental orders to HMSO for OP stationery are forwarded to the Post Office, who include the postage due on these items in the departmental quarterly bill approximately 12 to 15 months later, e.g. the postage due on envelopes ordered by a department in, say, November 1976 would be included in the bill from the Post Office for the quarter ended December 1977—*at the rates then in force*. In practice, this means that departments pay the postage on items at the time of use or just before they are used.

The Printed Postal Impression (PPI) is used for some 10 per cent of the total volume of government mail. The facility may only be used, under the normal rules, by customers making single postings of not less than 5,000 letters, 1,000 packets or 100 parcels. Users are granted a licence by the Post Office and are required to pre-print a distinctive postage-paid impression on their own envelopes, labels and wrappers. PPI may be used on all classes of inland traffic and overseas packets and letters, and payment is made at the normal appropriate rate (e.g. 6½p

and 8½p at the basic letter rate), either in cash at the time of posting or through an account. In the latter case departments complete in duplicate a docket, one copy is delivered to the Post Office with the mail (the use of post boxes is prohibited) and the other retained for later reconciliation of the Post Office account. Users of PPI are also offered a bulk discount if they are prepared to accept the 'Rebate' service; but this can in some circumstances result in delayed delivery.

Certified Mail is used for another 10 per cent of the total. This facility is made available to government departments only in Central London and other large cities. The mail must not be posted in post boxes; it must be posted in an official bag or, by arrangement with the Post Office, handed over the counter of a specified post office. Items are impressed by the Post Office with a red date stamp and do not bear an Official Paid symbol or other cachet. Each office authorized to use the system is required to maintain a record showing the number or total weight of items posted at each despatch (this also forms a certificate to the effect that it is all official mail). From this information the Post Office assesses the postage charge by the application of an average departmental postage rate determined from periodic sampling to ascertain the average weight of each packet. First and second class items are normally charged for separately.

In addition urgent and bulky correspondence within and between departments is carried on either an interdepartmental van service run in the London area by the Property Services Agency of the Department of the Environment or on services run by individual departments.

Although the study covered and made recommendations about the special services available only to government departments, i.e. Official Paid and Certified Mail, potential benefits from changes in methods are not included in the following paragraphs because these are currently the subject of negotiations between CSD and departments and the Post Office. The aim of the negotiations is that the Post Office should be satisfied that the fair and correct amounts of postage are being paid and that individual departments should be able to exact stricter control over the use of services thus leading to tighter accountability.

Savings identified

Savings were identified under three broad headings:

(*a*) *Economical use of existing services.* We found that the main saving under this heading was, as might be expected, by a switch from first to second class post. At first sight the potential did not appear great because so much of the existing first class material was the payment of money by departments such as the Department of Health and Social Security and the Department of Employment to their public. Further examination, however, revealed that economies were possible by encouraging staff not to 'play it safe', i.e. when in doubt post first class, by downgrading certain classes of material and by suggesting that

departmental instructions, etc to local offices should be issued in time to travel second class.

Under this heading too come the more obvious savings deriving from the exploration of the possibility of rebates for bulk postings (set out in the *Post Office Guide*) especially by PPI users. We recommended the use of Recorded Delivery instead of the more expensive Registered Post for documents of little or no intrinsic value where all that was required was a record of receipt, and for all other cases where the limits on compensation paid by the Post Office would not compensate for the loss, e.g. irreplaceable originals.

We suggested that where papers were being transmitted regularly and in quantity between offices in a department or between departments advantage should be taken of the Post Office Datapost service and, in a similar vein, where departments were making daily distributions of material from say the headquarters to the local offices, they should consider whether a reduced service, say, once or twice a week, would suffice.

Not all users were aware, prior to the commencement of the study, that they could claim a refund from the Post Office for Official Paid envelopes and labels 'spoiled' prior to use or rendered useless by poor storage, etc, i.e. blocks of labels stuck together when stored in damp conditions.

(*b*) *Transfer of mail to other services.* Under this heading came greater use of existing van services (e.g. the transmission of PAYE correspondence to London based civil servants), of courier and bag services, of the payment of monies (including salaries) whether to their staff or the public by direct Bank or Giro transfers, of more co-operation by departments over postings to common addresses and of a switch from air mail to air freight.

(*c*) *Elimination of post.* We recognized that by far the greatest postal savings could be achieved if we were able to persuade departments to identify material which need not be posted. It appeared to us, for example, that a number of the procedures for collecting money were unduly long and that it should be unnecessary to send more than one reminder. We felt too that unless it was known that there were likely to be lengthy delays in dealing with correspondence it should not be necessary to acknowledge every item received. Furthermore, some departments tended to be over-generous in the provision to their customers of pre-paid reply envelopes and labels. Where payments were being made on a regular basis and in similar amounts, e.g. pensions, salaries, we suggested that it should not be necessary to issue more than annual notification of adjustments. All of these points have been taken up.

Telecommunications

We took telecommunications to be a term embracing a variety of systems, most of which are provided by the Post Office or at least use

the Post Office network; it thus included telephone, telegraph, document transmission systems and audio-conferencing.

Within the Civil Service responsibility for monitoring the procurement and provision of these systems rests with C5 (Telecommunications) Division of the Central Computer Agency with whom we maintained close liaison throughout.

Telephones

Given the rise in cost of having a letter typed (at the time of our report of the order of £1·50 on average for a standard A4 letter) we found it difficult to generalize on the comparative benefits of the use of the telephone and the letter. It was possible to show that £1·50 would buy almost nine minutes of time for a long distance peak rate hours telephone call or, at the other extreme, 2½ hours of time for a standard rate local call. It could be said, therefore, that unless long distance calls involved urgency or essential discussion and could be kept within nine minutes, communications should be by letter.

We also found that in departments with a local office network it was at times necessary to get information quickly to or from a number of offices (e.g. by headquarters in relation to a Parliamentary Question). To meet this type of eventuality some departments already had established networks through which such messages were passed, e.g. via the Regional Offices and subsequently, via nominated 'neighbourhood' offices. This radically reduced the number of long-distance calls made and time taken to put the message over to all local offices.

Telephone charges are based on a quarterly rental plus a rate per unit consumed. Although this rate, adjusted from time to time by the Post Office is standard (currently 3p) the period of time which can be bought varies (currently from 8 seconds to 3 minutes). There is thus a marked difference in the cost of all calls (including local calls), made in the peak payment period (because the number of units consumed rises) from calls in other periods. We recommended that, as far as the work procedures allow, staff should be positively discouraged from making telephone calls during the peak period from 09.00 to 13.00 hours daily. This would in addition to reducing the cost per call mean that staff had a much better chance of obtaining their numbers at the first attempt. (It was after all partly to encourage the re-distribution of telephone traffic that the Post Office introduced peak-rate charges in July 1970.) Local managers were also encouraged to consider whether a change in work procedures could be made which, without affecting overall efficiency, would ensure that most telephone calls were made outside the peak period.

The service also makes considerable use of dedicated circuits (tie-lines). For these there are no such peak payment periods but there are periods (e.g. between 10.00 and 11.00 and between 13.00 and 14.00 hours) when the traffic is so heavy that lines may not readily be available. In these circumstances the busy office may well succumb to

the temptation of making calls on the public telephone network. Because such calls have to be paid for in the normal way (whereas the tie-line rental is pre-paid and constant irrespective of the number of calls made) they are an unnecessary extra expense. We recommended that staff should be positively encouraged, within the limits of the operational situation, to use existing tie-lines and to avoid busy periods.

We found that one of the reasons given for the under-utilization of tie-lines was that staff are often unaware of their existence—even though details were often given in the front of telephone directories. We did consider a diagram illustrating all the existing tie-line links but this proved impracticable. We recommended, therefore, that the tie-line links between offices should be shown on the appropriate page of office telephone directories, i.e. under the space generally used for the telephone number.

Despite the fact that the greatest savings on the telecommunications expenditure derive from the use of these dedicated tie-lines as an alternative to paying call by call on the public network we found that these lines cannot be provided on demand. Each installation must be preceded by a traffic census to establish the number and direction of lines required. At present, too, there is a delay of up to two years in supply. But with the onset of further planned departmental dispersals, CCA has initiated programmes to monitor traffic between London and Bristol, South Wales, Norwich and Edinburgh respectively with a view to the provision of new or a rationalization of existing tie-lines. Multiple tie-lines for interdepartmental use will shortly be installed between London and Edinburgh and London and Cardiff.

Our enquiries suggested that departments might well have been over-generous in the provision of telephone extensions. In particular the concept of an individual extension for each member of staff led to serious under-use of a costly facility—currently £2·30 per quarter per instrument plus VAT. (One department has calculated that each extension, inclusive of rental charges and usage, costs £250 per annum.) We found a number of situations where one extension would have been ample for two or even three people. We recommended, therefore, that departments should review office by office the use made of extensions with a view to their reduction. Several advantages would flow from this:

(*a*) A direct saving in rental for every instrument and line removed.
(*b*) The creation of space on overcrowded switchboards, thus allowing for essential new lines as required.
(*c*) In some extreme instances, eliminating the need for larger boards.
(*d*) A discipline on staff sharing an extension to be brief in official (and private) calls.

Such reviews had to be conducted with care for, although removals are carried out at no cost, re-installation costs £8 plus VAT per instrument.

A recent review, in one building only, produced a repayment of earlier overcharging by the Post Office of £3,000. Future annual savings of some £9,500 per year will be achieved by more accurate billing by the Post Office, by reduction of the number of exchange lines used and by reduction of the number of operators on the exchange.

Where it was not practicable to remove instruments, e.g. because of an impending expansion of work or the degree of its urgency, but the volume of traffic or the pressure on line space suggested that a number of staff could share a line or lines, we recommended that departments should consider alternatives such as the Post Office Plan systems. An account of the use that can be made of one of these is given in the August 1973 edition of this journal.*

We considered barring access to trunk networks from extensions on automatic exchanges by mechanical means but were persuaded that it would cost departments more to employ an operator to monitor trunk calls than it cost in unnecessary calls. Discipline we felt could only remain with local managers and section supervisors. Despite this a number of departments have successfully introduced barring.

A study by a merchant bank had shown that, although there was a clock in every room, they were spending £400 a year on TIM calls. We asked CCA to discuss with the Post Office the possibility of barring access from official telephones to TIM, Dial-a-Disc, Test Matches, and other fringe services. The interests of staff would be safeguarded where necessary by the introduction of pay telephones. CCA informed us, however, that to do this would be both costly and technically difficult with existing equipment.

Those departments with manual switchboards were, of course, able to exercise firmer control over the use of telephones. In particular their operators could be directed to ask assiduously whether each trunk call was private or official. They could also consider a system of 'starring' extensions, the stars indicating barring of certain services.

Telex

A teleprinter is effectively an upper-case typewriter linked by a Post Office telegraph line to a similar slave typewriter. Messages typed on one typewriter are automatically typed out at the remote end. Teleprinters can be linked either by Post Office private circuits or by the public Telex network—parallel to the public telephone network. A teleprinter connected to the Telex network can communicate with any other teleprinter similarly connected. Broadly we found that Telex was economical only for straightforward messages of up to 130 words sent out of the local area but less than 56 kilometres (35 miles) and for messages of up to 60 words sent over 56 kilometres. For reactive situations the telephone was both quicker and cheaper and for longer

* 'Planning for Telephone Coverage' by J. M. Stuart.

messages it was cheaper to send a letter. Otherwise the main justification for its use was urgency.

Facsimile

Consists basically of two terminals connected by a Post Office speech circuit. If a document is fed into the machine at one end a reproduction is produced at the remote end. Thus diagrams, charts and drawings as well as narrative can be transmitted by this means. A variety of terminal equipment is available some of which will operate over the public telephone network though others require high-grade private speech circuits to operate effectively.

In view of the limited areas in which facsimile transfer and Telex installations can be made cost-effective, because the main justification for use appeared to be urgency and because departments had in the past acquired facsimile equipment which was largely incompatible, we recommended that departments should:

(*a*) Review their existing installations, seeking CCA advice on this as necessary.
(*b*) Obtain CCA authority for continuance of any installations considered necessary, either because they are cost-effective or there are other grounds for retention, e.g. urgency of messages.
(*c*) Withdraw installations not approved under (*b*) above.

We also suggested that no new installations or extensions to existing installations should be made without the prior authority of CCA.

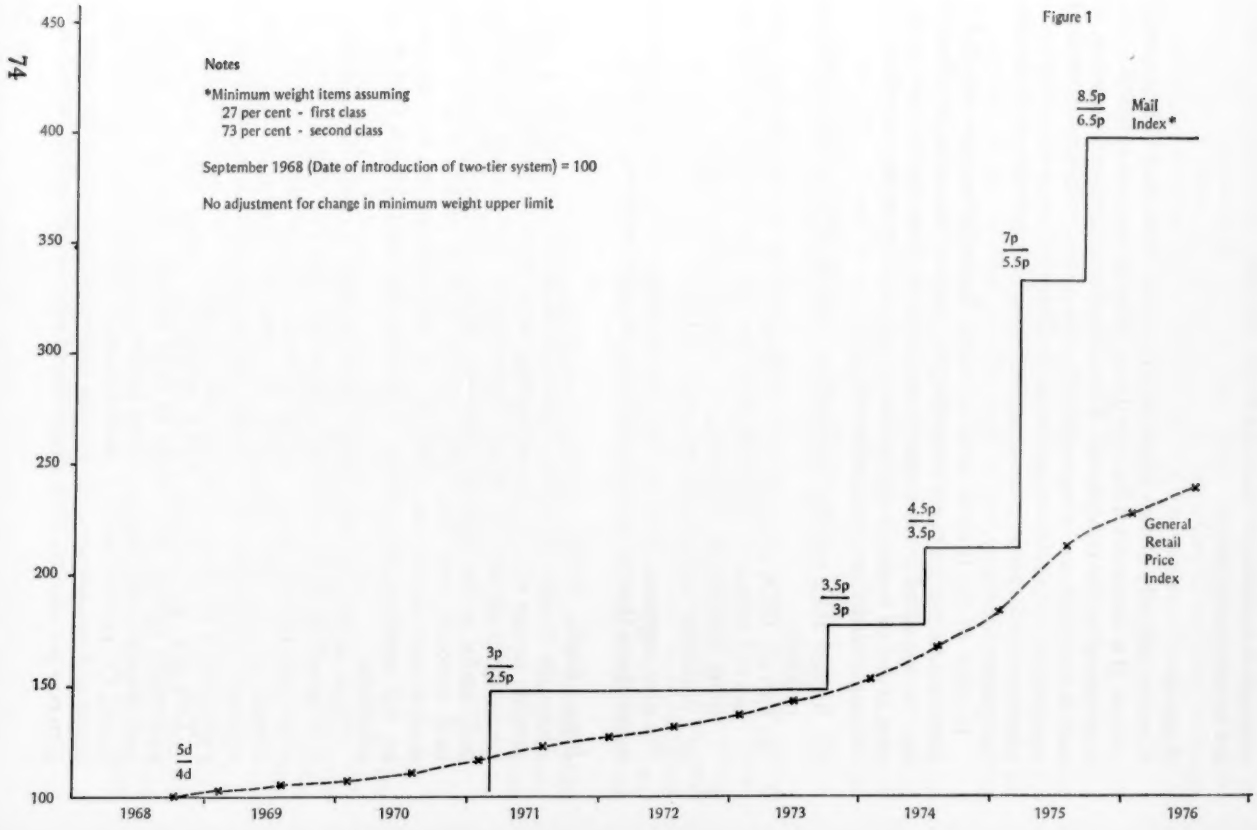
Remote Meeting Tables

Although Remote Meeting Tables (RMTs) are not strictly a comparable means of telecommunication, they are a developing medium whose main advantages, as an alternative to travel, could be particularly useful in the dispersal situation. They enable conferences to be held remotely over Post Office circuits instead of face-to-face. CCA studies have shown that, although not all meetings can be conducted by this medium, the system is effective for some 40 per cent of all meetings.

These studies also show that RMTs produce quantifiable savings in staff travelling time, travel and subsistence costs; they also eliminate the stress and strain of travel. A pilot network, using prototype RMTs, was already in use. (Starting early this year the prototype will, where appropriate, be replaced by production models with a specially designed switchboard by means of which any two RMTs can be linked.)

This new government RMT network is being fully costed. The embryonic system will consist of links between Edinburgh, Glasgow and Norwich with corresponding tables in London via the new switchboard. On current use and present charges the saving in staff time and travel and subsistence costs for this embryonic system is of the order of £70,000 per annum. This allows for an element of capital expenditure

Figure 1


Notes
*Minimum weight items assuming
27 per cent - first class
73 per cent - second class
September 1968 (Date of introduction of two-tier system) = 100
No adjustment for change in minimum weight upper limit
450
400
350
300
250
200
150
100
1968
1969
1970
1971
1972
1973
1974
1975
1976
5d / 4d
3p / 2.5p
3.5p / 3p
4.5p / 3.5p
7p / 5.5p
8.5p / 6.5p
Mail Index*
General Retail Price Index

for the tables and the switchboard, the latter being capable of initially handling 24 tables.

Tighter control

The cost of the postal and telecommunications service has risen dramatically in recent years. Figure 1 contrasts the rise in postal charges against the retail price index. Telephone call charges have on average increased over the past 12 months or so by some 150 per cent. It was important, therefore, that this exercise should not be seen as a one-off effort by CSD but should be part of a continuing campaign to reduce costs.

The study had shown that there was, in most departments, no one person or single group of persons responsible or accountable for the use of and expenditure of these services. We recommended that an officer should be nominated for this, and that he should be in a position to monitor use and to contribute to the formulation of estimates. An important part of the task would be liaison with CSD and other departments to continue to feed ideas for savings between departments because this had been such an important feature of the exercise.

Although, therefore, we recognized that the introduction of cash limits would provide an incentive for tighter control, we have, nevertheless, fed back to departments details of the more successful aspects of the interim and final reports with an exhortation to keep up the good work. This served both to cross-fertilize ideas and keep the subject in the forefront of departmental thinking. In addition we have asked those in CSD who are responsible for monitoring and approving estimates to pay particular attention in future to expenditure on these services.

Conclusion

The credit for the success of this study rests with those in departments who have so readily contributed ideas and taken up and acted upon the ideas of others. What CSD was able to provide was the initial idea and the continuing impetus.

The study has also shown what can be achieved by constantly keeping before the minds of departmental staffs the real savings that can be made without a loss of efficiency. The main message is that, like every other customer, each government department pays for its postage and telephone calls.

There have been considerable savings of some £2 million per annum to date with a further potential quantified at £3 million per annum. In addition there will be other savings which for various reasons departments have not been able to quantify. For example, a service-wide campaign must inevitably have had some effect on the attitude of staff towards the use of these services—they are all now more aware (and are being reminded by regular propaganda) of the costs and alternatives—which will lead to more economical use.

When the study began in July 1975 departmental estimates for

1975/76 were, with supplementaries, indicating expenditure on these services of some £200 million. The big increases by the Post Office in both postal and telephone charges were expected, on a forward projection, to lead to expenditure of some £300 million in 1976/77. In the event, information currently available suggests a likely expenditure of about £200 million, i.e. no increase in overall expenditure despite the heavy increase in individual rates. While we cannot claim that all or even most of this sizeable reduction is due to this study, it must have played its part.

Readers may like to be reminded of the titles that are available in the Management Services Handbook series, published by CSD Management Services. They are:

E.125 *Typing services* (44 pages, price 45p)
E.130 *Forms control* (38 pages, price 60p)
E.132 *Centralized dictation systems* (25 pages, price 45p)
E.133 *Transport management* (32 pages, price 55p)
E.134 *Microcopying systems* (55 pages, price £1·30)
E.136 *Management accounting in the Civil Service* (76 pages; price £1·10)

Departments may obtain copies from HMSO through their normal departmental publications demand channels. Persons and organizations outside the Civil Service may obtain copies from Civil Service Department (MSSU), Room 2/100 Old Admiralty Building, Whitehall, London SW1A 2AZ. Orders must be accompanied by a cheque or postal order, made payable to 'Civil Service Department'. The prices quoted above include postage (within UK).

The Financial Information Systems Project

F. E. R. BUTLER and Dr. K. ALDRED, Her Majesty's Treasury

Introduction

A financial information system covering expenditure of £35,000 million paid through many thousands of spending points is no small undertaking. This article describes the development of a project for a standard reporting system on central government spending, which has taken three years from its inception to its present stage.

The project has been implemented in two steps. Since September 1975 departments have been providing detailed monthly statements of their expenditure, within 10 days after the end of each month. From April 1977, the system will be carried a stage further, when departments will send in a breakdown of their expenditure between the volume bought (measured at constant prices) and the price paid (expressed as the change in price from the base date) five times a year, together with a revised estimate of their expenditure by quarters for the remainder of the year. This makes it possible to monitor, through a single and internally consistent flow of figures, expenditure against the Public Expenditure Survey plans, the Parliamentary Estimates and the cash limits, as well as against the assumptions about central government expenditure used in the economic forecasts.

The project would have taken far longer if it could not have been built on the foundations of departments' existing systems. Every department has naturally had its own system to monitor the progress of its expenditure and to enable its Accounting Officer to fulfil his responsibilities to Parliament. Nevertheless, if expenditure is to be reported so that it can be aggregated with that of other departments, and so that it meets the needs of central financial and economic management, this may affect the way in which information is reported right up the line from the paying point. So departments have had to review, and in many cases modify, their internal systems. Why was all this effort necessary?

Origins of the project

More than one circumstance led to the launching of the project. In 1972/73 and 1973/74, there was concern in the Treasury and in Parliament about underspending against plans, which can be as difficult for economic management as overspending. In early 1974, inflation began to accelerate. Concern began to be focused on the size of supplementary Estimates which departments had to seek. The scale of the figures also led to interest in the breakdown between price

increases and volume changes, since large additions to expenditure could, at least in theory, mask an upward 'creep' in the *volume* of public expenditure if the increase due to inflation was not closely monitored.

At the beginning of 1974 Sir Douglas Henley, then in charge of work on public expenditure in the Treasury, and Mr. P. R. Baldwin, then Chairman of the Public Expenditure Survey Committee (PESC), asked an Under Secretary, Mr. H. A. Copeman, for a personal assessment of how much was known in the Treasury about the progress and probable out-turn of expenditure during the current year (1973/74), what the gaps and difficulties were, and what might be involved in seeking necessary improvements. The pressure of work on those directly responsible for these matters was such that it was preferable for the investigation to be done by someone closely associated with, but outside, the General Expenditure Divisions, which ran the Public Expenditure Survey and the Estimates. Mr. Copeman's own work included the arrangement of special studies such as PAR (Programme Analysis and Review), and he was also responsible for the small team which became the Treasury/Civil Service Department (CSD) Operational Research Unit. Dr. K. Aldred from this unit assisted Mr. Copeman in his investigation, and a small number of individuals were asked to join a 'Cash Flow Group', on the understanding that they and their divisions would not be committed to any conclusions reached.

Mr. Copeman's conclusions were that four systems were being run at the same time: a strategic expenditure control on a moving series of price bases (the Public Expenditure Survey, and White Papers); a control system based on cash estimates and flows (the Parliamentary Estimates and Accounts); a monetary system concerned with other cash flows and with the results of public expenditure (the forecasts of financial transactions, including the estimate of the public sector borrowing requirement); and a macro-economic assessment, at constant prices (the national income forecasts). The whole of the complex of systems was difficult for any individual to understand; specialization had accentuated this, and co-ordination had been insufficient. The work had got increasingly difficult because of the very large and increasing differences between price levels. He suggested certain immediate changes in the method of assessing progress in the current year (which were put into effect), more attention to cash figures and a move towards cash control, and a longer-term improvement of departmental and interdepartmental intelligence, in concert with the spending departments.

The interest in monitoring coincided with a line of thought which had been developing among those concerned with systems development. Accounting and information systems in departments had been making increased use of computers. One example was the Department of Industry's computer-based management information system introduced in 1973/74. Other departments also had computer-based systems. These systems present great opportunities but they are difficult and expensive

to change. It seemed wise for the Treasury to define as quickly as possible the standard information which it required from departments for its role in monitoring the overall level of spending and for economic management, so that designers of such systems could allow for these requirements. Since both the Treasury and the departments need to monitor the progress of expenditure against the same control totals, their needs were likely to coincide at least in part, although the departments would usually need more detailed information.

Fortunately, the staff with the necessary expertise for specifying the central requirements for information was available. The Operational Research Division, which forms part of the CSD's Manager..ent Services Group, had been taking an interest for some time in information systems for planning and forecasting public expenditure. An example was the Highways Management Information System study in the Department of the Environment, undertaken between 1970 and 1973 to provide the information for controlling and forecasting expenditure on roads.* This general interest, and the success of the highways project, had led to the formation in November 1972 of a small team which later became the joint Treasury/CSD Operational Research Unit in the Treasury.

These strands came together and, in March 1974, they led the Treasury, after consultation with CSD, to the conclusion that a more fundamental investigation into the needs for financial information in the Treasury and in departments was timely. It was proposed that this should start with a detailed mapping of the current situation and move on to an enquiry into requirements. This progression would allow the form of an improved but economical system to be set out in clear terms.

In April 1974, Mr. Copeman led a small study team to the United States. Their general conclusion was that the United States Government was only slightly ahead of the British Government in its current application of computers in planning and monitoring government expenditure; but the United States Government had established a basis which could lead to the development of a much faster and more flexible system. The United States Government had become concerned at the unco-ordinated spread of federal and state computer systems and had called a halt so that a thorough study could take place. This reinforced the feeling that action needed to be taken in the United Kingdom in departments as well as in the Treasury and CSD.

The study phase

A joint Treasury/CSD project team was set up with terms of reference to develop a detailed description of the current flows of financial information within the Treasury and from departments; to investigate the

* See 'A System of Models for Planning Highways Expenditure' by Dr. K. Aldred and B. L. Glicksman, *MSIG*, February 1976 edition.

needs for information; and to recommend how these might be better satisfied.

After consultation with departments, the establishment of the project team was notified to them at the beginning of October 1974. The timetable was to complete the study within six months. It was envisaged that October to December would be occupied by preparing a description of current and planned systems, and January to March by the survey of needs and the forming of sketch proposals. This timetable was achieved.

Under Mr. Copeman's direction, the team was led by Mr. T. P. Turner, then head of the Treasury/CSD OR unit; and it was joined by a team contributed by CSD Management Services (Operational Research) Division, under Mr. H. Benham, which also included a member of the Management Services (Accountancy) Division, Mr. D. Jamieson. To cover the computing aspects, the Central Computer Agency (CCA) provided Mr. T. Chenevix-Trench, a consultant retained by them. Representatives of outside consultancy firms were also included, in view of their experience of commercial systems and of the help which they might be able to give if the study led to setting up a new system.

Throughout the project, the ingredients of the team—operational research scientists, management accountants, outside management consultants, a representative of CCA, with oversight and support from Treasury administrative staff and with consultation with specialists in central and spending departments—have remained the same, although the 'mix' has been varied according to the requirements of each stage.

Between October and December the team carried out the factual study of processes, tracing back the procedures in the Treasury and CSD to the sources of information in departments. Selected departments agreed to participate in this study—the Ministry of Defence, the Home Office, the Ministry of Agriculture, Fisheries and Food, part of the Department of the Environment and the Health side of the Department of Health and Social Security. Preliminary discussions were held with the Department of Education and Science and the Overseas Development Ministry, and the Department of Industry gave permission for the team to use the information gathered during the design of their information system.

The report of the fact-finding phase of the project was presented on 31st December 1974. It was a factual description of the processes in considerable detail; no general conclusions were drawn, but comments identified difficulties, duplication and inconsistencies found in the system. One section of the report identified the extent to which computers were already used in departments and the Treasury for purposes related to the Public Expenditure Survey, Estimates and public expenditure monitoring.

The next phase of the study was the preparation of sketch proposals. It concentrated on the development of proposals for improvements to

enable the current system to meet its objectives better; the development of more radical long-term proposals; and a comparison between these proposals and the current situation to identify priorities which might be met with the minimum disturbance to departments' own requirements and internal management.

This phase of the study entailed further discussions with departments and the Treasury, including interviews with senior management to assess their needs for information. Account was taken of prospective future developments, not only in computer technology but also in methods of control, including the interest in control by cash limits which was growing at this time. The lessons which could be learnt from commercial accounting practice, mathematical control theory and cybernetics, and from the experience of departments, were also studied.

By the end of March 1975, the project team had produced its initial proposals. The idea had emerged of using 'profiles' of expenditure—quarterly or monthly patterns of spending estimated in advance—to set an expected 'path' of expenditure through the year; quicker and more frequent figures of actual expenditure than had hitherto been provided to the Treasury (although they had been in many cases available in departments for internal management purposes); and a regular return comparing actual expenditure with the profile during the course of the year, explaining the differences and projecting the consequences forward. An additional ingredient was an analysis of expenditure into the 'volume' of expenditure at the prices used for the Public Expenditure Survey and price changes since then. This made it possible to use a single flow of figures to monitor the progress of expenditure in cash and in constant prices.

The initial conclusions of the project team, submitted in the Treasury at the end of March 1975, contained four main proposals. These were accepted as the basis for further work and, after further discussion with departments, they appeared in the report of the study group circulated in August 1975. They were:

(*a*) Prompt monthly statements of departments' expenditure.
(*b*) Regular returns analysing price and volume changes, and revising the 'profiles' of expenditure.
(*c*) A pilot study for the use by a Treasury division of a computer terminal to a 'data bank' on the lines of the facilities available to 'budget examiners' in the United States system.
(*d*) Further development of models incorporating the determinants of expenditure in particular areas, as a basis for improved forecasts of expenditure and of the effects of policy changes.

Collecting statistics of expenditure through PGO

On the first of the project team's proposals, the collection of rapid figures of monthly expenditure, two possibilities emerged: to rely on the swift production of figures from departments in the orthodox way; or

to develop an entirely new method. This method emerged, almost to the surprise of those concerned, as follows. Almost all government departments pay out money by drawing payable orders (in effect cheques) on the Paymaster General's Office (PGO). These are processed by a computer system in PGO which produces the totals of amounts spent by departments (and charged against the bulk sums which PGO receives from the Treasury from time to time in respect of each Vote). The Treasury had always known the level of the overall issues of funds to government departments through PGO each day; PGO had themselves suggested that more use might be made of the figures available to them. If the figures could be produced by PGO themselves in the required detail, the need for departments to carry out a very rapid accounting exercise at the end of each month would be removed.

When preparing payable orders, each issuing point sends a daily schedule to PGO of payable orders issued, so that when the orders are presented to PGO by the banks for payment they can be recognized as authentic and checked off against the schedules. These schedules *have* to arrive at PGO before payment can be made. The trouble was that these schedules did not contain information in the necessary detail about the accounting sub-heads to which payments were charged. On the other hand, for their own accounting purposes, departments generally required their paying officer to identify, at the time of making a payment, the account to which it was being charged: in at least one department, this information had previously been torn off the schedule sent to PGO!

There were practical difficulties about collecting this information from schedules sent to PGO. The main one was that some payments cannot be charged to the final head of account at the time when they are made. Such payments are charged temporarily to 'suspense accounts' until the final head of charge is known, and these accounts are cleared by departmental accounts branches as information becomes available. All receipts do not pass through PGO: some are paid into local sub-accountants who use the funds so obtained to make payments. In addition, some departments had computer-based systems for making payments, which it was difficult to change in the short term to provide the additional information required by PGO.

Nevertheless, the scope for future development offered by a central facility for producing statistics of expenditure through PGO seemed sufficient to justify further work on the idea and including it in the report of the study group. A particular attraction was that up-to-date information covering all departments could regularly be provided by the fourth working day of the month, more quickly than some departments could produce from their accounts. This work was undertaken by a member of the project team, Mr. T. W. Kent, of the CSD Management Services (Accountancy) Division, and Mr. R. Heavens, whom the Paymaster General's Office made available for this purpose.

The FIS report of August 1975

The report of the project team was circulated to departments at the beginning of August 1975, and has become known as the 'FIS Report' —'FIS' standing for 'financial information systems' (now that an integrated system has been set up, we are dropping the 's' on the end of systems!). The report contained a main report and seven appendices: these appendices described in more detail how the proposals would work in departments and proposed a detailed plan for the implementation of the first two proposals.

Further discussions with departments, at a time when separate discussions on extending cash limits were developing fast, led to the conclusion that the first and second proposals in the report (those of more immediate importance) could be recommended for implementation, subject to the following points:

(*a*) The proposal for rapid monthly figures provided by departmental accounts branches could be implemented at once, at Vote level initially broken down by Public Expenditure Survey sub-programme and national accounts category. So it was agreed that detailed figures of actual expenditure should be provided for each month within 10 days of the end of the month at Vote level from September 1975, and at sub-head level from 1st April 1977 which was the target date for introducing the second proposal.

(*b*) The second proposal for regular returns analysing price and volume movements and up-dating profiles of expenditure—for which the target date was the beginning of the financial year 1977/78—was modified by making it clear that departments would not be expected to agree their expected profiles of expenditure with the Treasury. Another modification was a '*de minimis*' limit to reduce the number of returns to the Treasury. By not requiring expenditure returns for sub-heads below, say, £5 million or £10 million, the number of returns could be reduced by three-quarters while still covering over 90 per cent of voted expenditure.

(*c*) There should be further technical discussions with departments about obtaining figures of expenditure through the Paymaster General's Office and a decision on this should be deferred until December 1975.

The third and fourth proposals, on which no time-scale had been put in the FIS report, were to be introduced as capacity allowed.

Implementation

The decision to implement the FIS report happened to coincide with internal reorganization of the Treasury. One effect of this was to bring together within an enlarged General Expenditure grouping the operational research and other supporting work on public expenditure with those carrying day-to-day responsibility for co-ordinating policy about the planning and control of public expenditure. This was to contain

two Under Secretary commands, one dealing with policy questions and the other with the collection, analysis and development of public expenditure statistics, including the monitoring of the public sector borrowing requirement. It was in this latter Under Secretary command, under Miss M. P. Brown, that the new FIS implementation team, under an Assistant Secretary, Mr. F. E. R. Butler, was located, as was the Treasury/CSD Operational Research Unit, under Mr. T. P. Turner.

The FIS report proposed that the FIS implementation team would be divided into two:

(*a*) A 'Treasury team', concerned with the design and implementation of the system within the Treasury, including the design of reports for users and of the computer processing to produce those reports. Consultants specializing in the implementation of computer projects were to be engaged to undertake this work. After competitive tender, Arthur Andersen and Company were selected for this task: their team was led by a senior consultant, Mr. V. C. Watts.

(*b*) A 'Departmental team', with the job of extending discussions to departments not covered during the previous study, and of consulting with all departments on the steps necessary for making the system work in the department. This was also to cover the technical discussions with departments on the proposal for using the facilities of PGO to produce the monthly figures of expenditure. This team was to be led by Dr. K. Aldred, a Senior Principal Scientific Officer, who had previously taken part in the study as a member of the Treasury/CSD Operational Research Unit.

A senior Steering Committee, under Mr. F. Jones (Deputy Secretary, General Expenditure, Treasury, and Chairman of PESC) was established to exercise general oversight: this contained some Principal Finance Officers from departments as well as representatives of Treasury, CSD and CCA, and the Arthur Andersen engagement partner, Mr. D. R. Kaye.

Phase 1 of implementation was to last from October 1975 until April 1976, and was to be directed at developing implementation plans in the Treasury and the departments: the second phase, from April 1976 until April 1977, was the execution of those plans leading up to conversion to the new system in time for it to become operational in the financial year 1977/78.

For the 'Departmental team', there were three initial tasks:

(*a*) Launching discussions with departments. This was done through a circular letter to Principal Finance Officers sent out in November 1975, inviting them to consider how they could make effort available within their departments to implement the system. This effort involved systems work in the departments to set up, or revise, their internal arrangements to provide the information needed for

the Treasury returns. These arrangements also had to cover the additional or more detailed information which departments needed for their own purposes and which it made sense to collect as part of a single system within the department.

(*b*) Designing the form of the report from departments. There was a strong case for settling the form of this report at an early stage of discussion with departments and being able to stick to it subsequently.

(*c*) Launching a pilot project to test the operation of the system. The Home Office agreed to act as ' guinea pigs' and they created a small unit under Mr. S. W. Boys Smith, a Principal in the Department, to establish the system. They evolved a pilot project on a limited area of expenditure between November 1975 and April 1976. They introduced the system throughout their Department from 1st April 1976—a year ahead of other departments. This made it possible to try out the system and identify points of practical difficulty. Notes of guidance originally prepared for the Home Office were subsequently collected and circulated, with agreement of the Home Office, in a *Guide for Departments*.

For the 'Treasury team', the main job was to design, and agree with the users, the reports which the system was to produce. When there were too many users to consult each individually, representative 'user groups' were formed. Another task was to design the computer-based processing system, in the light of the draft input from departments and of the draft reports for users of the system. A third was to select the computer installation which was to process the material. Both these latter tasks were undertaken with the help of CCA.

The Treasury public expenditure work, mainly for the Public Expenditure Survey, had been hitherto processed at the Central Computing Bureau, Norwich. The Treasury had been highly satisfied with the service which it had received but the Bureau could not meet the extra load which the new integrated system was to impose. A number of alternatives were considered, but it was eventually decided to use the Central Statistical Office/Treasury Univac installation located in the Treasury building. This installation, which was about to be enhanced, had the advantage that its closeness made possible very rapid turnround for urgent work.

Meanwhile, consideration of a further report on the use of PGO to produce monthly statistics of expenditure led to the conclusion that the number of departments able to use such a facility and the potential for future development justified asking PGO to establish it. Mr. Heavens continued to direct the project generally and PGO engaged Coopers & Lybrand Associates Limited to assist PGO staff in the design and implementation of the system (subsequently christened 'APEX'—Analysis of Public Expenditure), under the direction of Mr. D. R. L. Breed of CSD who was attached to PGO on loan.

By April 1976, the main tasks of phase 1 of the implementation stage

were complete. Phase 2 involved bringing more Treasury staff into the 'Treasury team' in the remaining stages of implementation to provide training for those who would operate the system. They have worked closely with the consultants; and, after the team had obtained such programming help as they could get through a 'trawl' of departments, computer programmers were engaged temporarily from commercial agencies to complete the team.

On the departmental side, the work progressed, with the help of departments, more smoothly than had been expected. By the early summer of 1976, the methods by which all departments were to implement the system had been agreed: most were either running interim versions of the system in 1976/77 for the purpose of monitoring their expenditure in that year, or had agreed to undertake 'dry runs', both to test their ability to provide the figures in operational conditions and to provide a basis for their own monitoring in the current year.

A further task was the introduction of Treasury and CSD users to the service which the new system would provide. This was launched by a series of seminars run for Treasury and CSD divisions in the summer of 1976; presentations to senior management; use of 'dry runs' material, with the permission of departments, for presenting 'live' information drawn up in the form of reports from the system.

At the time of writing (February 1977) the implementation work is on course for bringing the system into operation at the start of the financial year 1977/78. The first 'live' data received by the new system will be the profiles of expenditure for 1977/78 in the latter part of April; and the monthly expenditure statistics for April produced by PGO in early May. The FIS implementation team will be dissolved as the new system comes into operation, although a nucleus of both the 'Departmental team' and the 'Treasury team' is to be retained to introduce Treasury and CSD users to the new figures and to sort out the teething troubles which any new system inevitably encounters. For this transitional phase, these staff will become part of the operating divisions of the general expenditure groups working with those who will carry the system on in normal operation.

Conclusion

It is not for those most closely concerned with it to draw lessons from the case history of this project. However, since one of the present writers took no part in drafting the FIS report, perhaps it may not be immodest to draw attention to five principles on which the project has been founded. The first is the value of the operational research, coupled with the management accountancy, approach—analysing tasks and the information required to fulfil them, and then designing a system to meet those requirements: this gave the project a firm foundation. The second is to design the system so that it met operational needs recognized by all those participating in it, and met them as simply and economically as possible. Only in this way could the project get the willing support

and co-operation of those concerned with modifying the varied systems in departments, who were also normally those operating the existing financial controls from day to day. The third is to allow adequate time for implementation, so that the design of the system can be cleared at each stage with the users, and those providing data can develop and try out methods of doing so: the opportunity for 'dry runs' for departments in producing the figures has been invaluable. Even so, the timetable for implementing this project, and in particular for writing the new computer systems, has been tight, and we still have to keep our fingers crossed. Fourth, forethought in staffing the project so that those taking it on at a later stage have been involved in the formative stage. If consultants are to be employed and the client is to have a choice of more than one consultant, it is helpful to introduce representatives of more than one firm to the project at a formative stage. Fifth, the luck—or good management—to undertake the project at a time when political and economic currents are flowing in its favour: there was no better time to introduce a project for the close monitoring of departments' expenditure than when cash limits were being introduced!

Financial Management in the Civil Service — The Role of Accountants

K. J. SHARP, TD, Department of Industry

Mr. Kenneth Sharp is Head of the Government Accountancy Service and Accountancy Adviser to the Department of Industry. The article that follows was first published in the January 1977 edition of *Public Finance and Accountancy*, the journal of the Chartered Institute of Public Finance and Accountancy (CIPFA), and is reproduced by kind permission of the Editor. —*Editor.*

Most people would, I am sure, agree that my topic in this article is one of great importance to us all. Perhaps it is worth while spending a moment ensuring that we are all talking about the same thing. Two of the items in the title are, I think, easily defined. By accountants I mean qualified members of the six constituent bodies of the Consultative Committee of Accountancy Bodies (CCAB), employed in a professional role. By the Civil Service I mean officials directly employed by departments of central government. I therefore exclude employees of local authorities, independent boards, nationalized industries, the National Health Service and kindred bodies.

There remains the important question 'What do we mean by financial management?' First, financial management cannot commence until policy decisions have been taken, and policy decisions can only be taken as a result of examining a whole series of policy options, each one of which has its own financial implications. That, however, is part of the original political process of allocating resources—a process which is likely to include, if well conducted, the support of accountancy skills but in which accountancy considerations are seldom paramount.

Financial management commences from the moment at which the policy decision is taken and has essentially four parts. The policy will need to be converted into a plan which will have several elements, one of which will be the financial plan. Part one of financial management, therefore, is the making of the plan. Part two consists of ensuring that the necessary systems are available to implement and control the plan or if they are not available to set them up. By systems I mean the whole complex of people, machines and records which are necessary to measure and control the progress of the plan.

Part three is measuring the execution and comparing the performance thus measured against the plan. Part four is analysing any

material departures from plan and computing the effect of those departures on policy and reporting accordingly to those responsible for policy—in other words control.

If you accept that analysis of financial management, it is, perhaps, reasonable now to examine the part which accountants play at the present time in the Civil Service. It is, I think, fair to say that the great majority who are concerned with financial management are involved with parts three and four in a peripheral monitoring role. I say peripheral because they are concerned at the points where government activities meet those of industry. Within that limited sphere their activities are of considerable importance and generally recognized to be so. But before we immediately throw up our hands in horror at the small scale of this involvement we must, if we are honest, appreciate that accountants are not a panacea. Such short-comings as there may be in financial management in the Civil Service would doubtless to some extent be remedied if accountants were more actively involved. Frankly if we did not think so, in the light of our professional qualifications, it would be surprising. A Civil Service which was overburdened with accountants, however, could have as many, though different, faults as one with too few. The essence is to make sure that there is an effective input on the right scale. Accountants work particularly effectively as part of a multi-disciplinary team in which the various members each makes his own contribution both as a specialist in his own discipline and as a general member of the team. Decisions can then be taken in the light of an appreciation which has absorbed the input of a variety of different and complementary approaches. This approach appears to work well.

There are some 900 accountants in the Civil Service, of whom the majority are concentrated in four areas: defence, trade and industry, environment and inland revenue. Inland revenue we can ignore for our present purposes as they are primarily Inspectors of Taxes who happen to be accountants. In the Department of the Environment the overwhelming majority are employed as district auditors and could, therefore, be said to play a material role, though in a very narrow field in the monitoring function. In the Department of Trade the Insolvency Service hardly forms part of what I would define as financial management (though it would, perhaps, be unfair to exclude them entirely from that aspect of matters). In the Department of Industry we find some 80 accountants in Accountancy Services Division. Just under half of these advise on policy matters, making a very valuable contribution. The remainder are primarily concerned with appraisal for Selective Financial Assistance, very definitely operating in the measurement and control area, but again in a narrow sphere. In addition there is the Industrial Development Unit, consisting entirely of seconded personnel, almost all accountants, also operating in the Selective Financial Assistance field.

It is not until we come to the Ministry of Defence that we find a wider

use of accountants in financial management. Approximately 200 are employed in the Accountancy Services Division of the Procurement Executive, their prime function being the measurement of contractors' costs in non-competitive contracts. In the Administration Group accountants are employed within industrial organizations (Royal Ordnance Factories, Royal Dockyards, etc.) and advising the line management of the armed forces. In addition a number of accountants are employed in the department's Directorate of Internal Audit.

You will see from this picture that the majority of accountants in Whitehall are primarily concerned at the points of contact between government and industry or, in the case of the Department of the Environment, government and local authorities, where an understanding of accounting practices and concepts is crucial in order to carry out the task in hand.

At this stage, I think we may reasonably ask the question why are there only 900 accountants in an organization the size of the Civil Service? Of course, the answer may be that the Civil Service does not need any more, that the nature of the work is not suited to accountancy techniques and that it is only in a special situation where contact with industry is required that the accountant needs to be called in.

Most accountants would not accept this: they do not consider themselves to be a specialist group only to be called upon to solve, in an isolated context, problems which have defeated the understanding of others. They are much more generalists with a special qualification. The value of accountancy advice is always greatest when given with a thorough understanding of its context—in other words, as I have said, the accountant is at his best when an integral part of the team. I do not believe that it follows that there is an urgent requirement for a large influx of accountants into all quarters of Whitehall. There is, however, need for a better understanding of the contribution which accountants can make. When that understanding fructifies it will lead to a demand for an appropriate contribution in the relevant areas. I believe, therefore, that the right question to ask is not why are there so few, but why do they play such a small part when compared with the use which has been made of accountants in industry and commerce. It is fair to say that there have been faults on both sides. There have been instances when groups of accountants have deliberately restricted themselves to the narrow field of technical professional advice. In other words they have accepted the role of the specialist, finding in this both protection and enhancement of status, but simultaneously surrendering influence. The situation is emphasized by the administratively convenient habit which applies in a number of departments of coralling the accountants in a separate building some considerable distance from that in which policy and management decisions are made.

Equally important, however, has been the general atmosphere in Whitehall. Whilst I believe that there are welcome signs that this is changing, and changing rapidly in some areas, there is a long generalist

tradition in the Civil Service which has tended to scorn the specialist as one whose views are too narrow and whose contribution should, therefore, be restricted to his own specialist field. This tendency has, perhaps, been exacerbated in the past by the way in which the best brains have been steered into the policy area, to the inevitable detriment of the Service's own management.

A further reason that is often advanced for there not being more accountants in Whitehall is the disparity that exists between government's traditional system of accounting and that which prevails elsewhere. In order to allay any fears on this score I may say that I am not an advocate of the wholesale abandonment of cash accounting, particularly in those departments which are primarily concerned with the channelling of money out of one pocket and into another, where the adoption of accrual accounting would be an unnecessary refinement. I am, nonetheless, sympathetic to some aspects of this argument. The development of trading funds is an acknowledgement that where government bodies are responsible for the investment of huge sums in fixed assets or stocks, different considerations may arise and I hope that active thought will be given to extending this principle where the underlying conditions justify it. Similar conditions apply in relation to services offered to sections of the public where a charge to cover costs is justified. Memorandum trading accounts have been used for many years to measure the adequacy of the charges to cover costs, but there is a case for examining a more formalized incorporation of these accounts into the accounting structure of departments. Money is only significant in so far as it represents real resources or a right to real resources, and the operation of accrual accounting, with its concept of matching, in appropriate circumstances aids that understanding. The input of accountants can be very relevant, particularly during the development stage of the introduction of new systems, and the identification of suitable opportunities for such introductions. They can also play a significant part in the management of cash resources in departments.

What then are the areas in policy-making and financial management to which accountants could, by virtue of their training, be expected to make an effective contribution as part of a management team? I do not propose to bore my readers with an exhaustive list but only to indicate the sort of general areas in which I believe such a contribution would be of value.

The first is one to which I have already referred—that in which the management of assets is a significant task, e.g. stocks, incomplete work, equipment, buildings, etc, as well as in any cases where there are manufacturing and service activities. The principle has already been accepted in relation to a number of Ministry of Defence establishments as well as those organizations which are established as trading funds.

A similar sort of consideration arises in cases where there is a requirement to evaluate the effect of decisions involving a cash outlay with

long-term implications. These call for experience in the behaviour of certain elements of cost and also in forecasting and investment appraisal techniques. Closely linked with this is the assessment of capital programmes and their effect on future current account expenditure.

An important consultancy orientated activity is the investigation of particular cost elements in the operational budgets of departments, e.g. transport, storage, incentive bonus payments and productivity agreements.

Perhaps I have already said enough to indicate my view that there is substantial scope for an increased accountancy input in a number of areas in departments. The attraction of service in Whitehall to good quality accountants, however, is likely to involve the opportunity of high-level policy work including financial advice to ministers and senior officials.

There would appear also to be scope in some departments for a useful general contribution in finance branches.

There are two specific areas where very good work is being done but the accountancy forces involved could well be strengthened to the public benefit. One is management services, which is concerned with the design and implementation of financial planning and control systems. A small section of 15 accountants in the Management Services Division of the Civil Service Department is concerned with this and within the limits of its size carries out a first-class operation.

The other specific case is concerned with the assimilation and integration of financial aspects of forward plans—particularly of government agencies and public corporations including the nationalized industries.

I believe the contribution of the accountancy profession in this field could be a substantial one, but until very recently not all departments responsible for nationalized industries had accountants in their establishment working in this field.

I have suggested to the Civil Service College that we develop our provision for the training of non-professional personnel in the comprehension of financial information, with particular reference to senior officials. Accountancy is frequently regarded by laymen as a mystery. I believe that this creates a comprehension gap which cannot always be filled by progressive simplification. We must, therefore, raise the level of comprehension. For our services to be properly recognized our output must be understood. I have said on other occasions that accountants are the biggest force in the communications industry. We must make sure that those to whom we address ourselves are not only switched on, but also tuned in.

A final area in which I feel that accountants ought to play a more significant role in the future is internal audit. I believe that the standard of internal audit in government departments can most generously be described as variable. This is no criticism of the sterling effort which the individuals concerned apply to their task. There is, however, no

doubt that audit is a highly skilled task, requiring a substantial degree of theoretical knowledge, the acquisition of specific practical skills and an attitude of mind which can only be acquired through long practical experience. I believe, therefore, that there is a strong case for asserting the importance of modern audit practices throughout internal audit units in the Civil Service. Some years ago substantial progress was made in this field in the Ministry of Defence when a small proportion of accountants was introduced into the Directorate of Internal Audit. The Ministry was able to reduce the total number of personnel involved in the work and simultaneously provide a much improved service. I believe that such developments can only take place in the context of the employment of qualified accountants with suitable experience at the head of relevant units. There are obvious and immediate practical advantages in adopting a policy along these lines. I believe, however, that the advantages might in the end be substantially greater in that they would lead to a greater frequency of contact between accountants and administrators thus tending to break down the barriers between these classes.

In addition a more modern approach to internal audit leading to a raising of its status should mean that those administrators, particularly the young ones, who are involved in this function would gain immeasurably from the experience of examining control systems and making recommendations for their improvement. They would acquire a detailed knowledge of the workings of departments which would stand them in good stead in the development of their careers. A spell in internal audit should be required as an essential part of a senior administrator's background rather than the less glamorous backwater that some see it as today.

I hope that accountants will be able to provide a significant input in the areas which I have outlined. I am not unaware of the difficulties involved. The first is the psychological barrier between administrators and accountants, to which I have already alluded. We want to work towards the relationship which exists between management and accountants in industry, but this is obviously a matter of time. Another problem is the fragmentation which exists among accountants in the Civil Service. Accountants at the moment are employed in at least five different classes or services. Each has different career prospects, each regards itself as in some material way different from the others. There is little concept of professional unity. The most fundamental division comes between the Professional Accountant Class and the accountants in the Administration Group. As far as I am concerned an accountant is, as I have said earlier, any member of the six bodies of CCAB. But the terms and conditions on which a civil servant is employed and, to an extent, the work which he does, are governed by his grade and category. Those accountants who are in the Administration Group, most of whom acquired their qualification after joining the Service, are necessarily in a different position from members of the

Professional Accountant Class: they may spend a significant part of their career on non-accounting work and may belong to different staff associations. I do not, however, think that these problems are insuperable. I believe that over a period of time by following the military axiom of reinforcing success and adopting a piecemeal approach we can progress towards eliminating them.

In conclusion then I have sought to show three things. First, that financial management in the Civil Service is a field in which the accountant is by his training and experience well suited to make a significant contribution. Second, that in those areas where professional accountants have been employed, albeit rather specialist, the contribution has been valuable. Third, that despite the problems which exist and which can probably only be overcome by a piecemeal attritive approach, efforts should be made to overcome them and that the most hopeful area in which to commence is that of internal audit.

Obviously a great deal of the impetus for such a programme must depend on efforts which I will have to make; but those efforts will depend for their success on the continued support over a long period of the whole accountancy profession both in and out of government. I know that I have that support at the moment. I am bound to say, however, that the path will be a long one and indeed I see no prospect of any end to it. I am, however, particularly encouraged by the very significant and enthusiastic part which CIPFA has played and will I am sure continue to play in encouraging developments along the right lines in the years ahead, so that we may be able in due time to say with Mr. Valiant in *The Pilgrim's Progress* 'Tho with great difficulty I am got hither, yet now I do not repent me of all the trouble I have been at to arrive where I am'.

The Basics of Line Management

M. J. PORTER, Department of Employment

Mike Porter is Regional Director for the Midlands region of the Department of Employment. In the article that follows he expresses some personal views. —*Editor.*

> The great rulers—the people do not notice their existence
> The lesser ones—they attach to and praise them
> The still lesser ones—they fear them
> The still lesser ones—they despise them. *Taoist scripture*, 500 B.C.

The empirical process

A customary method of providing training in line management is to examine the careers of successful managers and analyse their qualities. These qualities are then listed, explored and an attempt made to apply them to contemporary situations. Since there is no scale for assessing success as a manager, it is inevitable that a catalogue of the virtues is used as a tick-off list in a recipe for management. This process determines our opinion as to whether one manager was more successful than another and as to how we should apply their qualities to our own problems. We sometimes forget, conveniently perhaps, that many successful managers have exhibited serious character defects and that their methods, although effective, have been unique to the circumstances.

In every case, however, the end product or effect of management is being examined and not the means whereby the end is attained. This, although natural, is illogical. Indeed, it can be a danger when such empirical processes are translated into the guidance of others towards qualities of management. Times, circumstances, environment and ethics all change constantly. The world and the Civil Service do not stand still and society and civilization are always developing. Each time a manager seeks to guide or influence others he is not able to take off the shelf a set of exactly similar circumstances and act according to precedent. In most cases, he must rely upon his intelligence, intuition and experience. But there is a need to return to first principles in order to support the intelligent solution of management problems where intuition may lead falsely, and experience is weak or inappropriate.

Back to basics

It is fashionable to decry the work of psychologists. But psychology is a science and looks to facts to prove opinions. We may, therefore, accept proven psychological beliefs knowing that they apply to human nature.

Indeed, we can take comfort from the fact that psychologists have proved through controlled experiments that the art of management may be practised successfully by any individual of reasonable intelligence who is not self-centred or possessed of inordinate emotional prejudices. Thus we are provided with the essential platform on which a manager needs to build up a store of expertise. This consists of: (*a*) intelligence; (*b*) interest in others; and (*c*) controllable emotions.

An individual cannot change effectively his own level of intelligence. He can, however, recognize the fact that he has more or less than the average of this ingredient and concentrate on the other two facets accordingly. It is not necessary to expand on self-interest and emotions since an individual who is abnormally concerned with himself or emotionally unstable is clearly unsuited for management. It should be stressed, however, that intelligence and lack of self-interest and controllable emotions are not virtues of management but are basic human qualities which anyone must possess to some extent before he can put into practice anything he may learn about management.

In considering the basic problems of line management we must inevitably accept terms of an indefinite nature because circumstances are variable. We cannot describe a certain type of manager operating in a particular set of circumstances. The basics of management are equally appropriate to the manager of a local office and to the Permanent Secretary, although their application in daily life may differ widely. We may be divided by activity, background and training into various groups, but we owe allegiance and are governed as a whole department and Service. This is an important fact to grasp, and it can be put to good use.

Quality of management

Our ability to influence others is a mental process and though it may be argued that physical compulsion is a means of obtaining obedience it is hardly a facet of management. Thus we must study mental reaction to instructions and it is a fact that these reactions are reflected in and may be understood by an examination of human growth. Our ability to give and take instructions is associated not only with our environment but is mirrored in our relationship with those responsible for our upbringing. It is not suggested that managers are born to their role, but managers and managed have a two-sided relationship which is constantly visible with parent and child. The two-sided, ambivalent, relationship of like and dislike is at the root of a line manager's ability. He must appreciate this life force and make it work for him. Many intuitively successful managers have no knowledge of the basis of their success but, if they are not gifted or experienced, an understanding of the relationship they have with those placed in their charge will be of inestimable help.

Some will argue that the power to punish is the only necessary instrument of line management. There are many examples which can

be quoted to refute this. As sanctions recede into the background, the successful manager is the one who will not depend on the fear of reprisals for obedience. All those who have given or received instructions will know the alacrity that results from an order based on strength free from sanctions.

Management by consent is, therefore, the strongest and most desirable form and, of course, the most acceptable in present times. Management must be practised under Departmental Instructions, but must not rely on them for sole support.

Ambivalent relationships

A child is dependent upon others. Whilst he may look up to his parent or guardian he resents his dependence. This resentment is clearly evident in the child's frustration at not being able to do things for himself. He realizes, however, that by attaching himself to his parents or guardian he grows in stature. Thus his self-esteem is improved. As he grows up so he enters groups at school as well as in his home surroundings. This translation teaches him the strength of groups, for he comes to appreciate that he will only be admitted to groups if he accepts their standards. His natural inclination is to conform, but he resents the rules of the group. He is frustrated at not having his own way. His own opinions may not coincide with the group and, furthermore, the opinions represented by his parents or guardian, and hitherto accepted, may now become invalid in his eyes. The ambivalent relationship is, therefore, fostered in the group and individual critical faculty is developed. We must not forget that human intelligence reaches its peak between 16 and 17 years. So that whilst knowledge and experience may grow, a person's mental processes will probably have reached fruition before he joins the Civil Service.

These two-sided views and needs are reproduced in the relationship which the line manager must have with those placed in his care.

He must at the same time be: (*a*) superior; and (*b*) equal. This anomaly may be explained by stating that superiority will result from a higher level of knowledge, skill, intelligence, experience or ability, whilst equality will result from a ready acceptance of discipline and self-discipline by the manager himself.

The needs of equality may be demonstrated in the fact that within the Service a highly qualified and able officer of one department can easily be resented if placed over officers of another department. The group feel that the manager is not 'one of them'.

We shall examine the needs of equality later but it is first necessary to analyse the facets of superiority which must be demonstrated by the manager if he is to be successful.

Human needs

Like parent or guardian the manager must provide for those in his care: (*a*) control; (*b*) protection; and (*c*) enhancement. Man seeks firm

control and though part of him may object to being told what to do, the ambivalence of his personality accepts control by others as a basic human need. But in seeking to influence the wills of others the line manager must first identify himself with those under his control. Any severance or weakening of the links between managers and their staff will cause a failure in control. Thus if a group have to complete a task they will look automatically for a leader. If a leader is forthcoming and he can be readily seen to be 'one of them' then his guidance will be acceptable.

Control of others is most effective when based on superiority and sociological distance. These two facets are much the same—namely, that there must be some form of separation between the manager and those in his care. This separation can be imposed by a system of hierarchy, that is rank, but it is much better and has greater force if the separation is borne of the intrinsic qualities possessed by the manager. Superiority of knowledge, skill, aptitude, age, seniority, experience, are all factors which will assist the line manager in the performance of his task. Sociological factors also count. Superiority of expression, appearance, manner, intelligence and bearing, if of the right type, will assist him to become accepted.

Thus, in the Service, the manager who is superior in attributes ar l separated sociologically from the group will, if he deploys his talents, be successful. But a paragon of virtues must not lose the common touch. If he considers himself to be so far displaced from those he controls as to be for all intents and purposes not one of them, then his authority will become unacceptable to the group.

Protection is also a basic human need which the manager must not overlook. An individual looks to those in line management to care for him. Thus if the group is deprived of essential creature comforts, they will turn elsewhere for management. Similarly, a manager who considers only himself and not those for whom he is responsible will be rejected. When the group is in need of care they look to their manager to provide it and will not accept him if he cannot satisfy this basic human need.

Enhancement is, perhaps, the most ignored of basic needs, and yet it can be used as a manager's greatest ally. Pride and esteem rank high in the make up of an individual's personality and the wise manager will trade on this. If the manager achieves prominence in any sphere, his group will identify themselves with his success. Similarly, he will grow in stature via group accomplishments. It is, therefore, very proper to foster departmental spirit and to strive for group success. Equally, it is opportune for the manager to maintain his own prominence in any field in order that his success may rub off on his group.

Therefore, in control, protection and enhancement, the group will look to their line manager to provide basic human needs. By identifying himself with the group he will be acceptable and with this mutual identification there comes mutual enhancement. The person who is

given an instruction will ask himself why he should obey it and why he should not be giving the instruction as opposed to receiving it. These questions must be unequivocally answered and the wise manager will see that rational solutions are provided. He will make it abundantly clear to his group that he readily accepts the rules governing the Civil Service. In other words the junior manager must be seen to accept the authority of the senior manager willingly if he himself is to expect obediance from his group.

An example of this is the theory of the Divine Right of Kings:

(*a*) God appoints Kings.
(*b*) Kings rule Subjects.
(*c*) Subjects accept rule of Kings because Subjects accept God.
(*d*) If Kings reject the power of God, then Subjects reject Kings.

It is to this extent that managers and managed are equal. This equality can be demonstrated in relationships with Ministers. Management and staff share an equal allegiance.

Authority

If, however, managers are to exercise control they should understand the nature of real authority since this does not have its basis in Departmental Instructions.

True authority is based on: (*a*) necessity; and (*b*) attributes. A manager by *necessity* operates within the laws of the situation. If circumstances dictate that a group are exposed to a problem which only one member can solve, then he is automatically the leader. Wise managers use this to their advantage, indeed unscrupulous ones ensure that no successors become available to challenge their authority. It is, of course, wrong to take this facet of necessity to extreme limits.

The main advantage of authority by necessity is that it is not resented by the group. The latter appreciate its inevitability and accept the manager without question. There is, however, one facet of the law of the situation which is worth cultivation—that is, the full use of all available methods to explain the situation. If the manager can demonstrate his inevitable leadership in various situations then his orders will be accepted without query in circumstances when the group cannot assess the situation. Managers should, therefore, give a full explanation of the situation whenever possible to demonstrate their authority so that when for some reason an explanation is not possible, obedience is forthcoming. By previous good communication the wise manager will have built up a credit balance of acceptance and kudos.

The second form of authority which is that borne of a manager's *attributes* differs from the law of the situation in that the attributes must be acceptable to the group and recognizable as worth while. It is in this sphere that such assets as knowledge, age, experience, personality,

education and intelligence are properly deployed. But the group must clearly appreciate that the particular advantage enjoyed by the manager is appropriate to the situation.

Sanctions

At the same time as appreciating the nature of his authority, the manager must understand the effect that sanctions may have on the individual. Such sanctions are not merely those within a disciplinary code and indeed these are only really effective if backed up by other sanctions.

If an individual flouts control he will suffer most if his action excludes him from:

(*a*) The benefits of management.

(*b*) The benefits of the group.

Thus the line manager must aim to see that the group conscience operates in support of punitive action. The truly successful sanction, whilst it may be imposed by the manager, must be endorsed by the group.

Summary

Management is a two-sided affair. The individual needs, yet rejects, authority, whilst the line manager must be superior yet equal. If these anomalies are appreciated then they may be used to advantage intelligently, selflessly and logically. By demonstrating acceptable superiority in appropriate situations the manager will gain authority. He will stifle reaction if he identifies himself clearly with his department and the Civil Service. The wise manager imparts control, security and pride of service to those he manages and by so doing enhances their self-esteem and stature.

Conclusion

The minority of intuitive and experienced line managers may not need to appreciate the basics of their art. But such knowledge will help to extend the frontiers of their management abilities. The majority of managers, however, do not possess great stores of intuition or experience. Currently they are often given a catalogue of virtues to emulate. These virtues are plucked from the experiences of other managers. They may sometimes be inappropriate and inapplicable in contemporary circumstances. Those who have management responsibilities need to be informed of the origins of their art so that, through a knowledge of human nature, basic influences may be set to work in support of improvements in line management.

ADP—Automated Distribution of Papers

S. HUME, Civil Service Department

Stephen Hume is an Assistant Librarian in the Central Management Library, CSD. —*Editor.*

Introduction

The regular distribution of publications, circulars, notices or memoranda to a large number of different addresses is a common administrative process. It is labour intensive and entails the accurate maintenance of records; various systems have been documented and all attempt to minimize the resources necessary for such an operation. The CSD library has, however, developed and refined a computer-assisted system which 'takes the irk out of the work' and, in addition, provides accurate and up-to-date information. Although designed specifically for a library situation, there are other obvious applications.

The provision of journals within the Civil Service Department is the responsibility of the Central Management Library. Although numerically CSD is not a large department, the wide range of its interests demands a relatively high number of publications, varying from daily newspapers, weekly and monthly journals, to annual directories. Subscriptions are held to about 1,500 different titles, many of which arrive in multiple copies—this gives a total annual count of about 63,000 items of a serial nature. Keeping control of this amount of material and at the same time being able to respond quickly to changes in the requirements of individual officers (to say nothing of keeping track of staff movements and room changes) demands an efficient and effective procedure. This article will describe the computer-assisted system now operating in the CSD library which both simplifies the actual distribution process and also shows who gets what and how much it costs.

Development of the system

The library was established in 1971 and the initial procedures for the control of journals were entirely manual. Receipt of publications was recorded on a Kardex system which detailed the destinations of all items received and gave brief details of the source of supply. It was supplemented by two additional systems:

(*a*) A series of lists of the destinations of the more expensive items; these were subject to regular challenge and hence amendment.
(*b*) Lists of the publications received by the larger divisions of the department and by senior officers.

The actual distribution was effected from a bank of envelopes, pre-addressed to major 'customers': three sizes of envelope, with about 200 in each size, for each of about 50 addresses.

The system proved very cumbersome. It was necessary to alter many separate lists, in addition to the Kardex record, whenever any change occurred, i.e. a journal title altered, or a senior officer (or large division) moved, entered or left the system, or changed their requirements. To compile a list of the publications received by each address, it was necessary to search all 1,500 Kardex records to retrieve the required information, which then required additional and regular care to up-date. These procedures were time-consuming, complex, prone to error and impossible to check effectively. In consequence the accuracy of the lists, maintained at much cost of time and effort, was suspect. The bank of envelopes also required effort to maintain, had similar up-dating problems and the mechanics of pre-addressing, not controlled by the library, took several weeks to effect. The actual distribution procedure was complicated to operate, required a relatively high degree of staff training and was apt to break down under pressure.

In 1974 the addressographed envelopes were replaced by sets of computer-produced addressed self-adhesive labels, 50 per address. These were produced by the program *Scribe*, developed by the department's Computer Applications Branch (CAB) of Statistics Division. Whilst by themselves these labels slightly improved the library system, discussions with CAB revealed that *Scribe* could be further developed to meet our specific requirements.

These requirements were:

(*a*) To eliminate the need to maintain any manuscript distribution lists.
(*b*) To hold all the required data on one file that would be simple to up-date.
(*c*) To avoid dependence on pre-addressed envelopes.
(*d*) To simplify and speed up the actual process of distribution.
(*e*) To reduce clerical effort.
(*f*) To provide information on the addresses to which each journal is sent, and the titles supplied to each address.

Work began in late 1974 to develop the *Label* program. This was based on a single *Names* file, consisting of a sequence of unique records, each identifying one address and detailing which journals (and how many copies) that address received. Each title was given its own unique code. To produce a set of labels to distribute, say, *The Economist* the computer searched the file for the code representing that title; each 'hit' triggered the production of an addressed self-adhesive label, also showing the number of copies required. Thus, at the moment of distribution, no further reference was needed to any other lists. The production of these unique sets of labels for each distribution reduced

the pressure on the clerical staff and enabled them to distribute large numbers of a publication quickly and efficiently.

By mid-1975 an additional program, *Report*, was successfully completed. Using the *Names* file, it produced management information, showing the distribution of each title and also, for each address, the titles received.

Although the basic six requirements of the system had to some extent been met by the *Label/Report* system, restrictions on its usefulness became apparent. The most serious of these were that the file had capacity for only 150 titles (out of 1,500) and did not include a cost element. However, by mid-1976 it became possible for our colleagues in CAB to devote some effort to expanding and developing the basic system. With their assistance, new files were established by the end of the year and for the first time it became possible to provide a full analysis of all distributions and to devote real attention to patterns of expenditure and cost-effectiveness in the provision of publications.

The Mark 2 system

The system now in operation, the *Label/Report* Mk. 2, is based on two major files:

(*a*) The *Names* file which is very similar to its predecessor, with the important exception that it now carries details of all 1,500 titles.
(*b*) The *Titles* file (which is a de-coding file) giving the full title and the cost of one subscription for one year of each publication code in the *Names* file.

The production of the labels is very similar to the Mk. 1 version and, in fact, they are only produced for the larger distributions. The major advance is in the quality of the management information available. This is provided by the two versions of the report now possible. These are the *New report* which deals with up to 100 titles selected from anywhere in the *Titles* file and is used to provide information on identifiable groups of publications—such as newspapers or weekly journals, for example—and the *Full report.*

The output of the *New report* is formated into three successive parts. To produce the first section the computer reads the *Names* file, selecting those addresses who receive the titles it is reporting on. Against each of these addresses is listed the titles received, the number of copies of each and the cost of that number. These costs are added together to give a total for each address. In the second section, listing is by title, showing the destinations and numbers of copies. The final section gives a statistical summary, listing out the titles, giving for each: (*a*) the total number distributed by the library; (*b*) the cost of one copy for one year; and (*c*) the cost for the total number of copies bought. This final figure is added up to provide a 'grand total' of expenditure on the category of publication dealt with in that particular report.

The *Full Report* covers all the publications in the file and produces a

complete list of the journals sent to each address, showing for each title the number of copies and the cost. This cost per title is added up to show the cost attributable to each address. The total costs are in turn themselves added to produce a grand total of expenditure.

The system in operation

The introduction of a computer system into a mainly clerical process has had certain effects which were only partially foreseen when the requirements for the system were first laid down. File maintenance now demands a major portion of the clerical effort and its importance is more readily perceived than the up-dating of manuscript lists, since it anticipates the demand for information and is essential for the provision of distribution lists which are in daily use. A regular schedule of operations has been established and staff are able to work better and more efficiently under less stress.

The management information held on the files has already permitted examination of the need for newspapers and weekly news-journals within CSD. Significant savings were achieved, and the revised supply arrangements effected quickly and accurately with minimal library effort. The facility for demonstrating the cost of material supplied to individual addresses is also being utilized as part of an on-going survey of resource committal in the department. The staff-time savings achieved on the routine tasks can be utilized for such examinations of costs and need, which will (it is hoped) lead to yet further reductions of both cash and labour.

Technical summary

The machine is an EAL Spacer 100, 32K, single disc drive, minicomputer with an emulator enabling it to accept most major bureaux systems; and the system described here is just one of many uses of the machine. Input to the Spacer is by punched-cards and output is through a line-printer. There is a facility to do on-line editing of data files but as this is only a 'whole line' editor and will not change individual characters, its applications for the library's files have been mostly discarded. The two files (*Names* and *Titles*) are held on disc, with punched card backups. Amendments are made to the punched-card file which, about once a fortnight, is read on to disc, replacing the previous disc file.

The *Names* file is a series of address records (as described above) each of which is assigned a unique index number. The records are arranged by this number in the file and an index, an alphabetic sort of the first line from each address, is produced by an outside bureau about every quarter. Each record in the file can hold details of up to 299 publications, the 300th-code in each record being an 'end of field' code. The address in each record can be up to five lines long, with a 35-character maximum per line. Each card in each record contains that record's

index number so that it is (theoretically) possible to reassemble the sequence in the event of the cards being dropped on to the floor!

The *Titles* file carries the full title and cost of each journal on one card. These are sorted by the titles' code numbers, which is contained in the first four columns. The title itself has a maximum of 70 characters; the cost is recorded in pence in the last six columns.

With the exception of the actual 'address' part of the *Names* file, both files are in fixed field format. Both require programs to load them to disc, but are checked first by another program which inspects the formating and sequence of the cards in the file. Thus only error-free files are loaded. The on-line edit allows the disc files to be checked if corruption is suspected, but this is now rare.

The three programs (*Labels, New report and Full report*) are each in an on-line and an off-line version. The disc-held files are mostly used, reducing the running time required, but the availability of the off-line version enables Reports, for example, to be produced on only some addresses, i.e. only a part of the *Names* file is submitted.

Conclusion

The new *Label/Report* system produces:

(*a*) Distribution lists in the form of self-adhesive labels.
(*b*) Management information showing the recipients of a publication and its total cost; and the publications supplied to any one recipient, and the total cost of that supply.

The scope of the system can vary considerably; it is equally suitable for controlling the 1,500 serials taken by CSD, or for regularly producing two or three sets of labels for mailing a range of press releases, circulars or limited distribution journals. It should, however, be stressed that, being based on a mini-computer with relatively limited facilities, it does not set out to record and process all the information required in a completely automated serials acquisition system and, in particular, has no capability for marking-in journals. It is a dual-purpose system, designed expressly both to produce distribution lists and to provide the information needed to effectively control the distribution of large numbers of publications.

Those interested in obtaining further information on the system may care to approach the author of this article in the CSD Library, Old Admiralty Building, Whitehall, London SW1A 2AZ. A user's manual is also available.

Glossary of Accounting Terms

K. E. Bradley, Civil Service Department

A new publication in the Management Services Handbook series is now available. Entitled *Glossary of Accounting Terms* it has been prepared by the Management Services (Accountancy) Division of CSD for use on Civil Service training courses and as a subsequent *aide-mémoire*. Descriptions have been provided of terms in book-keeping and accountancy which civil servants are likely to encounter, and the attempt has been made to avoid the use of technical terms which are not themselves the subject of a description. It is hoped that the handbook will also be of value as a source of reference to a wider readership within the Service.

Departments may obtain copies of the handbook (General Service Forms Series E.137) from Her Majesty's Stationery Office through the normal departmental publications demand channels.

Machinery of Government in the United Kingdom

Main changes during 1976

Structure of Government

The size of the Government

The total number of Ministers in the Government at the end of 1976 stood at 110, the same number as in January of that year. As a result of various Ministerial changes, however (the principal ones of which are outlined below), the number of Ministers in the Cabinet fell over the year from 24 to 23.

Ministerial changes

Changes in the pattern of Ministerial offices resulted from the retirement of Mr., now Sir, Harold Wilson as Prime Minister and his replacement by Mr. Callaghan on 6th April 1976 and from the resignation from Parliament in September of the Home Secretary, Mr. Roy Jenkins, who left to take up his appointment as President of the European Commission. The retirement of a Prime Minister during the course of a Parliament without an ensuing General Election is a relatively infrequent event which last occurred during the Conservative Administration of 1957/64, when Sir Alec Douglas-Home (now Lord Home) succeeded Mr. Harold Macmillan as Prime Minister on 18th October 1963.

Following Mr. Callaghan's appointment in April 1976, the office of Parliamentary Secretary to the Treasury (Chief Whip) was removed from membership of the Cabinet, thus reverting to the more usual practice in recent years. The office of Paymaster General (previously a separately held office) was assumed by the Secretary of State for Prices and Consumer Protection, who held both offices concurrently; this was only the second time since 1900 that the office had been held in conjunction with another Ministerial office.

More extensive changes followed the resignation of the Home Secretary in September 1976. On 10th September 1976 a new Department of Transport was established, headed by a Secretary of State with a seat in the Cabinet; the new Department took over transport functions previously carried out by the Department of the Environment. Common services were retained by the two Departments across a wide range of activities (including establishments, research, legal and economics), and joint working on transport and urban planning continued. The posts of Minister for Transport and Minister for Planning and Local Government in the Department of the Environ-

ment lapsed: the title of Minister for Housing and Construction continued in use. In the Department of Health and Social Security, a Minister of State was given the title Minister for Social Security with a seat in the Cabinet. Mrs. Shirley Williams who, as Secretary of State for Prices and Consumer Protection, had since April 1976 also held the office of Paymaster General, retained this office on becoming Secretary of State for Education and Science.

Also in September 1976, the holder of the Ministerial office of Solicitor General for Scotland was created a Peer, thus becoming the first holder of that office with a seat in the House of Lords. (The office of Solicitor General has not been held by an MP since 1964.)

December 1976 saw the resignation from the Government of the Minister for Overseas Development who, as a Minister of State in the Foreign and Commonwealth Office, had held a seat in Cabinet. His successor as Minister for Overseas Development did not have a seat in the Cabinet but continued to exercise day-to-day responsibility for the work of the Ministry of Overseas Development under the general direction of the Minister of Overseas Development, an office held concurrently by the Secretary of State for Foreign and Commonwealth Affairs.

Ministers with special or co-ordinating responsibilities

The Prime Minister announced in a Written Answer on 8th June 1976 that he had asked the Lord Privy Seal to co-ordinate policy in matters connected with the law of the sea, the use of the sea and of the sea-bed, as well as continuing to co-ordinate the measures necessary for the protection of British offshore and other maritime interests, as announced by (Sir) Harold Wilson on 5th November 1974. In addition to his responsibilities in the maritime field, the Lord Privy Seal retains co-ordinating responsibility for matters concerning population, and for science and technology. Individual Ministers remain responsible, however, for the particular functions of their own department.

The Prime Minister announced on 24th August 1976 that he had asked Mr. Denis Howell, a Minister of State in the Department of the Environment, to co-ordinate all matters connected with the supply of water during the period of drought and the measures being taken to deal with it. Mr. Howell continued to work within the Department of the Environment, and individual Ministers remained responsible for the particular functions of their own departments.

Transfers of Functions between Ministers

The Transfer of Functions (Treasury and Lord Chancellor) Order 1976 (S.I. 1976, No. 229), which came into operation on 1st April 1976, transferred to the Lord Chancellor those remaining functions of the Treasury concerned with receipts and payments by sheriffs in England and Wales, and the related administration of the collection of certain fines and forfeited recognizances.

The establishment of a new Department of Transport and the appointment of a Secretary of State for Transport was announced on 10th September 1976. The Secretary of State for Transport Order 1976 (S.I. 1976, No. 1775), which came into operation on 8th November 1976, completed the transfer to the Secretary of State for Transport of certain statutory functions formerly exercised by the Secretary of State for the Environment in relation to highways, road traffic, road and rail transport, docks, harbours and related matters, together with property, rights and liabilities. The Order also provided for certain functions of the Secretary of State in relation to highway schemes and orders to be exercised jointly with the Minister having general responsibility in planning matters in England and Wales as appropriate.

In reply to a Parliamentary Question on 1st November 1976, the Secretary of State for Prices and Consumer Protection announced that responsibility for the British Calibration Service, which functions as a service to industry in assessing and supervising calibration laboratories, was to be transferred from him to the Secretary of State for Industry from that date.

Departmental changes in Northern Ireland

The Department of Housing, Local Government and Planning (Dissolution) (Northern Ireland) Order 1976, No. 424 (NI6), which came into operation on 1st April 1976, provided for the dissolution of the Department of Housing, Local Government and Planning and the transfer of that Department's functions to the Department of the Environment. The Department of the Civil Service (Northern Ireland) Order 1976, No. 1211 (NI20), approved on 23rd July 1976, provided for the establishment of an independent Department of the Civil Service to perform those functions previously carried out within the Department of Finance by the Civil Service Management Division (CSMD).

Organizations established or dissolved in 1976

Fair Employment Agency for Northern Ireland

The Fair Employment Agency for Northern Ireland was set up under the provisions of the Fair Employment (Northern Ireland) Act 1976. The Agency was established to promote equality of opportunity in employment and occupations in Northern Ireland between people of different political opinions by the elimination of religious and political discrimination in employment and occupations. The Agency consists of a Chairman and at least five but not more than eleven other members, appointed by the Head of the Department of Manpower Services for Northern Ireland.

Labour Relations Agency for Northern Ireland

The Labour Relations Agency was established under the Industrial Relations (NI) Order 1976 to promote the improvement of industrial

relations and to encourage the extension of collective bargaining in Northern Ireland. It consists of a Chairman and nine other members appointed by the Head of the Department of Manpower Services, three of whom were appointed after consultation with the employer interests and three after consultation with trade union interests.

Equal Opportunities Commission for Northern Ireland
The Equal Opportunities Commission for Northern Ireland was established under the Sex Discrimination (Northern Ireland) Order 1976 with broad powers and duties to work towards the elimination of discrimination in employment on grounds of sex or marriage and in the provision of goods, facilities and services on grounds of sex and to provide equality of opportunity generally. The Commission consists of a Chairman, Deputy Chairman and four to ten other members appointed by the Head of the Department of Manpower Services.

Trustee Savings Banks Central Board
The Trustee Savings Banks Central Board was established under the provisions of the Trustee Savings Banks Act 1976 on 25th March 1976. The Act empowered the Board to give directions to the trustee savings banks, to provide banking services for them, and to provide other common services including data processing services and the formation, management and operation of unit trusts. The Central Board, which is a body corporate, consists of persons appointed by eligible trustee savings banks (each of which appoints one member), together with the Board's chief officer and deputy chief officer; the Board also has power to appoint not more than four persons to be members of the Board itself.

The Trustee Savings Banks Act 1976 also provided for the transfer to the Registrar of Friendly Societies of certain functions previously exercised by the National Debt Commissioners and by the Treasury.

Theatres Trust
Provision for the establishment of a Theatres Trust was made by the Theatres Trust Act 1976, which received Royal Assent on 22nd July 1976. The object of the Trust is to promote the better protection of theatres for the benefit of the nation; its affairs and property are administered by 15 trustees, appointed by the Secretary of State for Education and Science. The Act empowered the trustees, for the furtherance of the Trust's objects, to acquire and hold any theatre or land required for the benefit of any theatre, to contribute towards the acquisition of any theatre or any such land, and to maintain or assist in the maintenance of any theatre. The financial conditions under which the Trust operates are defined in the Act.

Police Complaints Board
The Police Complaints Board was set up under the provisions of the

Police Act 1976, which received Royal Assent on 6th August 1976. The functions of the Board relate to the consideration of the outcome of the investigation of complaints from the public against members of police forces in England and Wales under section 49 of the Police Act 1964: the Board may make recommendations to the chief officer of police as to the disiplinary charges which they consider should be preferred, and direct him to prefer such charges as they may specify. Under the Act, the Police Complaints Board consists of not less than nine members appointed by the Prime Minister; no person who is or has been a constable in any part of the UK may be a member of the Board.

The Police Act 1976 also made minor changes in the law relating to the discipline of police forces in England and Wales.

Development Board for Rural Wales

The Development Board for Rural Wales was set up under the provisions of the Development of Rural Wales Act 1976, which received Royal Assent on 22nd November 1976. The Act empowered the Secretary of State to give financial assistance to bodies concerned with the social development of Wales. The general functions of the Board are to prepare, concert, promote, support and undertake measures for the economic and social development of the area for which it is responsible and in particular for the development of any new town within that area. The area of Wales for which the Board is responsible under the Act includes the county of Powys and the districts of Ceredigion and Meirionnydd; other areas may be designated by the Secretary of State from time to time. The Board consists of not less than 11 or more than 13 members appointed by the Secretary of State.

Commission for Racial Equality

The Race Relations Act 1976, which received Royal Assent on 22nd November 1976, made provision for the establishment of the Commission for Racial Equality, to replace the Race Relations Board and the Community Relations Commission, abolished under the Act. The Commission for Racial Equality is charged with working towards the elimination of discrimination, and with the promotion of equality of opportunity and good relations between persons of different racial groups; it is also required to keep under review the working of the Act and, as necessary, to draw up and submit to the Secretary of State proposals for amending it. Subject to the Secretary of State's approval, the Commission may give financial assistance to any organization appearing to the Commission to be concerned with the promotion of equality of opportunity and good relations between different racial groups. The Commission is made up of not less than eight or more than fifteen Commissioners, appointed by the Secretary of State for Home Affairs.

Health Services Board

The Health Services Act, which received Royal Assent on 22nd

November 1976, made provision for the setting up of the Health Services Board, to consist of five members appointed by the Secretary of State after consultation with bodies representing the medical and dental professions, NHS employees, or concerned with the interests of patients in NHS hospitals, as appropriate. The Board's main duties are to make proposals for the progressive phasing-out of pay-beds and private out-patient facilities in NHS hospitals; and to control the building of large private hospitals in accordance with Part III of the Act. The Board is also required to make recommendations to the Secretary of State on the best way to achieve common waiting-lists for NHS and private patients admitted to NHS hospitals. The Board which will cover the whole of Great Britain, will have Scottish and Welsh Committees to advise on its work in those countries.

Northern Ireland Development Agency

Provision was made by the Industries Development (Northern Ireland) Order 1976 (S.I. 1976, No. 580 (NI10)), which came into operation on 14th April 1976, for the establishment of the Northern Ireland Development Agency. The Agency consists of a chairman and not less than five or more than eight other members appointed by the Head of the Department of Commerce. The Order transferred to the Agency the assets and liabilities of the Northern Ireland Finance Corporation (at the same time dissolving the Corporation), and extended the power to provide financial assistance to industry under the Industries Development Act (Northern Ireland) 1966 and the Industrial Investment (General Assistance) Act (Northern Ireland) 1966. The Order also authorized the Department of Commerce to accept the transfer to the Department of publicly-owned securities.

Management Bookshelf

Mrs. B. M. HOWARD, Civil Service Department

'A legislative flood', 'a minefield', 'a massive weight' . . . all phrases used to describe the labour laws of this decade, through which the manager must tread his delicate way. Since 1970 some 16 Acts of Parliament have been promulgated dealing with employment conditions and safeguarding of workers' interests. They include the Trade Unions and Labour Relations Acts, the Employment Protection Act, the Sex Discrimination Act, the Equal Pay Act, the Redundancy Payments Act, the Contracts of Employment Act, the Health and Safety at Work, etc. Act, the Social Security Act and the Industry Act. Together they form a complex, inter-meshed structure. A bewildering number of books have been published on the provisions and implications of this legislation; it may therefore be helpful to suggest some titles which the ordinary manager may care to read, or to be aware of.

The texts of the Acts themselves are of course available, through normal procurement channels, from Her Majesty's Stationery Office. The departments responsible for the legislation (including the Department of Employment and the Home Office) have issued explanatory guides which are widely available, free of cost. Since some of the terminology is unfamiliar, a useful starting point in comprehending the measures is the *Glossary of Definitions Used in Current Employment Legislation* published by the British Paper and Board Industry Federation (1976; £1; 62 pages). The definitions in this quick reference guide have been taken from the statutes themselves and include references to sources.

A concise summary of the various Acts is provided in *Employment Legislation* by D. Nigel Beazley and Duncan H. Wood, published as Accountants Digest, Number 16 by the Institute of Chartered Accountants in England and Wales (1976; £2·50; 45 pages). This synopsis contrasts with the substantial, but highly readable, *Employer's Guide to the Law on Employment Protection and Sex and Race Discrimination* by the well known author 'Ewan Mitchell' (1976; Business Books; £12; 756 pages). This is a companion volume to his *Employer's Guide to the Law on Health, Safety and Welfare at Work* (1975; Business Books; £7·75; 394 pages). The pen-name is that of Greville Janner, QC, MP, the legal correspondent for a number of national, commercial and trade journals.

Another over-view is given by the specialized publications of the Incomes Data Service, and in particular their *Fortnightly Briefs* series. These aim to keep subscribers up to date with the ever expanding legal side of industrial relations, monitoring such topics as unfair dismissal, redundancy, sex discrimination and collective agreements. Special *Supplements* focus on new problems, while handbooks up-date older

topics in the light of new legislation. Titles have included *Unfair Dismissal*, *Employment Contracts* and *The New Race Law and Employment* (price £2·50, £1·50 to IDS subscribers).

Two organizations which have published a number of compact introductions to the legislation are the Industrial Society and the Institute of Personnel Management. The titles from the IS include summaries of the Employment Protection Act (1975; £1; 40 pages), the Race Relations Act (1976; £1; 35 pages) and the Health and Safety at Work Act (1974; 75p; 32 pages). *Unfair Dismissal* (1976; 75p; 30 pages) illustrates the growing recognition that a man has a right to his job—the concept of 'job property' as it is called. The IPM has also described the workings of the Employment Protection Act (1975; £2; 92 pages) and the Health and Safety Act (1975; £2; 268 pages). Another of their booklets deals with the provisions of the Sex Discrimination Act (1975; £2; 56 pages).

A more detailed survey is given in the *Employer's Guide to the Employment Protection Act* 1975 by E. J. and M. D. Robertson (1976; Kogan Page; £5; 208 pages). This is a clear exposition of one of the most far reaching pieces of legislation, written by the Industrial Relations Director of the CBI and his wife, who is a member of the Industrial Tribunal. Another approach to defining the legal requirements is that of the Institute of Chartered Accountant's audio cassette/workbook package on *The Employment Protection Act*. On the cassette are interviews with the Chairman of the Advisory, Conciliation and Arbitration Service and with a trade union representative, while the accompanying workbook includes extracts from the legislation and a specimen information agreement. The package, which is available direct from the Institute price £8, is part of their 'Finance Managers Guidelines' series.

The Health and Safety at Work Act has been called the most significant advance in this field since Shaftesbury's Factory Act of 1833. Among the many guides to its provisions two are, perhaps, worthy of special note. *Handbook on Health and Safety at Work Act* 1974, published by the Local Authorities Conditions of Service Advisory Board (1975; 55p; 49 pages) is an excellent introduction to the Act for those approaching it for the first time. *The Health and Safety at Work Act: a practical handbook* by W. T. Jones (1975; Graham & Trotman; £4·50; 300 pages) is a more thorough-going exposition, but its careful arrangement and straightforward language make it easy to read and to use. (A loose-leaf version at £9·25, with up-dating service, has been advertised, but at time of writing has not yet been published.) For those seeking a more comprehensive list of publications, ROSPA (the Royal Society for the Prevention of Accidents) has published 'Library Bibliography 1': *Occupational Safety and Health—a basic reading list* (3rd edition September 1976; £1·50). This also includes sections on the Employment Protection Act, the Sex Discrimination Act, and the Social Security Act. The list is available from ROSPA at its new address: Cannon House, The Priory, Queensway, Birmingham B4 6BS.

The attributes of a successful manager were listed by Harao Suzuki at the World Congress of Management, 1969, as: 'Self discipline, courage, all the elements of a politician, scientist and educator as well as gambler, prophet and actor'. The journal *Industrial and Commercial Training* is attempting to demonstrate in a series of case studies (the first of which appear in the February 1977 issue) how these attributes may be adopted by the modern manager as the price of survival in today's legislative flood. The series is entitled 'New Laws—New Managers?'.

Some recently published titles

An Employer's Guide to the Employment Protection Act 1975 by E. J. and M. D. Robertson. Published by Kogan Page Limited (208 pages; price £5)

Personnel and Training Management Yearbook and Directory 1977. Published by Kogan Page Limited (480 pages; price £8)

An Employer's Guide to Health and Safety Management: A Handbook for Industry by P. Arscott and M. Armstrong. Published by Kogan Page Limited (398 pages; price £7)

Communication in Organizations: Selected readings, edited by L. W. Porter and K. H. Roberts. Published by Penguin Books Limited (paperback 442 pages; price £1·75)

The CUYB Directory of Software. Published by the Computer Users' Year Book (478 pages; price £15) **—Editor**

Letter to the Editor

Ask a Silly Question!

Dear Editor,

Peter Brierley's article in your February issue gives a fair summary of the lectures delivered at the seminar 'Ask a Silly Question!', but gives no report of the discussions which followed the papers. This is unfortunate because some speakers' published remarks included errors and misinterpretations of facts which were corrected from the floor in the discussion.

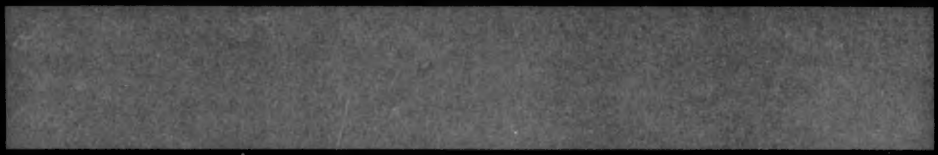
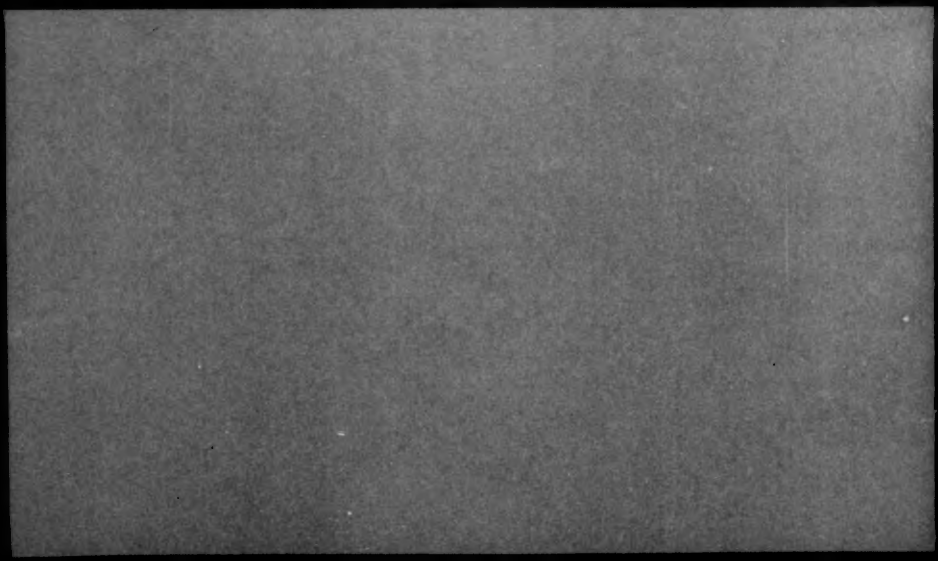
The four cryptic references to questions taken from Censuses of Population in the summary of Peter Menneer's lecture could be misleading without further elaboration. It is quite wrong to imply that a 'dwelling' was identified in the 1971 Census purely by asking householders a simple question on sharing. This question was intended to lead the enumerator to obtain further information on the basis of which he should have been able to group together in his record books those households sharing a dwelling.

The reference to Gray and Gee's report that the 1966 Census understated tube journeys to work fails to point out that this apparently enormous error arose only because some people considered travelling on the London Underground as travelling by train while others considered it as travelling by tube. In fact the understatement of journey to work by train and tube jointly was just a little over 1 per cent.

However, it is Peter Menneer's comments on the 1971 questions on fertility that are most unfortunate. Under the heading 'Logic superb, communication doubtful' it is stated that the question asking for the date of marriage was left blank in one in five cases. In fact the non-response to this question was more like one in 50—possibly a case of superb logic producing good communication.

The question from the 1971 Census asking for the dates of birth of children born alive in marriage is quoted under the heading 'Embarrassing questions'. It is not clear whether it is being suggested that the question itself was embarrassing, or whether people would have been embarrassed because it was not asked of the elderly and not asked for children born out of wedlock, or whether embarrassment was avoided because the elderly were excluded and no information was required for children born out of wedlock.

At the time of writing I have not had the opportunity of seeing the film strip or hearing the cassette and it may be that these deficiencies of presentation are not carried over into the commentary, but, in fairness to everyone, I think my observations should be known to your readers because not every *MSIG* reader will hear the commentary.

Yours sincerely,

DENNIS NEWMAN
Head of Census Division
Office of Population Censuses and Surveys